SECTION

1

Illustration by Erica (age 7)

ALBERTA CHILDREN'S SERVICES ANNUAL REPORT 2000 - 01

Strong children, families and communities.

Section one

Alberta
CHILDREN'S SERVICES

Working together to enhance the ability of families and communities to develop nurturing and **safe environments** for children, youth and individuals.

Strong children, families and communities.

Our shared vision is an Alberta where children and youth are **valued, nurtured and loved;** developing to their potential, supported by enduring relationships, healthy families and safe communities. **Alberta will be child, youth and family friendly.**

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SECTION TWO

CHILD AND FAMILY SERVICES AUTHORITIES' FINANCIAL STATEMENTS

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PUBLIC ACCOUNTS 2000 - 2001

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 Ministries.

The annual report of the Government of Alberta released June 2001 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

On March 15, 2001, the government announced new ministry structures. Since the 2000 - 2001 fiscal year was substantially completed prior to this announcement, ministry annual reports and financial statements have been prepared as if the restructuring took place on April 1, 2001, to provide proper accountability for the 2000-01 fiscal year against the original business plan.

This annual report of the Ministry of Children's Services contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Children's Services and 18 Child and Family Services Authorities for which the minister is responsible,**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

MINISTER'S ACCOUNTABILITY STATEMENT

The ministry's Annual Report for the year ended March 31, 2001 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 10, 2001 with material economic or fiscal implications of which I am aware, have been considered in the preparation of this report.

Iris Evans

Iris Evans
Minister

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MESSAGE FROM THE MINISTER

The dawn of a new millennium brought many achievements for the Alberta Children's Services Ministry.

I was proud to oversee the ministry during the 2000-01 fiscal year, the beginning of a new period in our history and only the second year of existence for Children's Services. The ministry had a wide range of accomplishments throughout the year that directly benefited Alberta's children, youth and families.

A program that is the first of its kind in the entire world for victims of domestic abuse was implemented through the Office for the Prevention of Family Violence. The New Identities program is a last resort for victims of abuse whose lives are endangered. Victims are relocated and given a new identity in order to remain safe. There have been 16 victims who were assisted through the New Identities program in the past fiscal year.

Another first, a pilot project Children's Services has undertaken to place First Nations children for adoption with First Nations families, celebrated a milestone this year. Three Aboriginal children living in government care off-reserve were united with permanent First Nations adoptive parents affiliated with the Yellowhead Tribal Services Agency. Through the permanency planning project, the first of its kind in Canada, First Nations children will be relinked with their heritage.

The Task Force on Children at Risk released its report entitled 'Start Young Start Now!' in spring 2000. Recommendations brought forward by the task force included expanded mental health services for children and youth, crisis response plans for all schools and co-ordinated strategies to reduce bullying. Premier Ralph Klein established the task force after the 1999 fatal shooting of a Taber student.

In response to the task force's recommendations as well as the 1999 Children's Forum, the ministry allocated $48 million over three years for five major children's initiatives to help children at risk. The initiatives involve the protection of children involved in prostitution, the Alberta Partnership on Fetal Alcohol Syndrome, programs for very young children, community response teams and supports for youth leaving child welfare.

Over 1,000 young people throughout Alberta were consulted during a month of youth forums in various communities. The seven forums enabled youth to discuss issues affecting them as well as to develop and implement local solutions. Our ministry will be incorporating suggestions from the youth into our business planning process.

An external report reviewing factors contributing to child welfare caseload growth was compiled and released. In conjunction with its partnering ministries, Children's Services is analyzing the report's recommendations in order to develop a thorough plan of action.

Children involved in protection-related investigations will be assisted with the establishment of a new Child Protection Centre in Edmonton. The centre will ensure children and their families receive appropriate and meaningful support services from the start of a child protection-related investigation, and continue to receive the services for as long as they need them. Skilled professionals at the centre will provide an all-encompassing approach to services which will eliminate the need for child victims and their families to visit numerous locations seeking the help they need.

Results from an independent review of the mandate of the Office of the Children's Advocate were released. Recommendations now being analyzed include an expanded role for the Advocate, improved advocacy services for Aboriginal children and enhanced natural advocacy.

The Government of Alberta requested a judicial review after a provincial court ruled the *Protection of Children Involved in Prostitution Act* violated some sections of the Charter of Rights and Freedom. As a result of the ruling, Children's Services hosted a workshop with community stakeholders in order to gain input on strengthening the legislation. The judicial review resulted in a Court of Queen's Bench Justice upholding the province's arguments on all points and endorsing the legislation's constitutionality. Despite the Queen's Bench endorsement, we decided to strengthen the Act even further. Amendments were passed during the fall session of the Legislature and proclamation took place March 15, 2001. The amendments enhance support provided to children involved in prostitution and ensures their legal rights are protected. With the changes, police and social workers can better protect and support children who are at risk of sexual exploitation.

A report analyzing the first year of implementation of the *Protection Against Family Violence Act* was released. The Act provides police another meaningful tool to stop abuse through three types of protection: Emergency Protection Orders, Queen's Bench Protection Orders and Warrants Permitting Entry. Preliminary impact of the legislation indicates there has been progress toward increased awareness of family violence issues, changes in attitude and reduced family violence behaviour.

Family Day was celebrated with a special event honouring 16 outstanding young Albertans. The children and youth were selected as the second recipients of the Great Kids Awards for making a positive difference in their home, community and school.

Throughout the past fiscal year, Children's Services continued its leadership role in the Alberta Partnership on Fetal Alcohol Syndrome (FAS). The ministry continued to care for and support those affected by FAS, as well as continuing to build awareness about FAS and the consequences of drinking during pregnancy. Forty-eight Boston Pizza restaurants and 17 other restaurants in Alberta joined the Born Free program to provide non-alcoholic drinks to pregnant women.

Young people and community stakeholders gathered as part of a public consultation surrounding the rave issue. Two successful forums were held in Calgary and Edmonton where we heard all sides of the all-night dance debate. Children's Services is now represented on municipal committees dealing with the rave issue.

People across the country were touched by the plight of young Avery McCarty, the four-year-old who was abandoned at a Calgary Safeway store during the summer of 2000. Children's Services Communications developed a strategic response in conjunction with the Premier's Office, Justice, Calgary Rocky View Child and Family Services Authority, community partners and international jurisdictions. Partners worked seamlessly together to support Avery, who was returned to the United States.

Work continued on the Alberta Children and Youth Services Initiative (ACYI), a cross-ministry initiative that ensures children and youth are safe, well cared for, successful at learning, and healthy. In addition to developments through the Protection of Children Involved in Prostitution Act and the Alberta Partnership on Fetal Alcohol Syndrome which both come under the umbrella of the ACYI, enhancements were also made through the Student Health and Mental Health Initiatives. Through the Student Health Initiative, 22 partnerships have been formed across the province to develop and implement local joint service plans for an integrated approach to service delivery. The first disbursement of 2000-01 funds for the Student Health Initiative was released in the fall. The provincial government allocated $4 million in new funding for children's mental health – to be used for in-home support service enhancement, support for young offenders with mental health needs and support for children in the child welfare system.

Children's Services is happy to be welcoming nine new municipalities who chose to join the Family and Community Support Services program in 2000-01. Ninety-eight per cent of Alberta's population now have access to 2,703 Family and Community Support Services projects through their municipalities and Metis Settlements.

We can be proud of the innovative programs that have been developed for this province's children, youth and families during the past year. The Children's Services Ministry shares a vision for all Albertans and Alberta communities and we will continue in our commitment to make that vision a reality.

Iris Evans

Iris Evans
Children's Services Minister

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

The Ministry of Children's Services includes the Office of the Children's Advocate, the Child and Family Service Authorities, Family and Community Support Services, the Youth Secretariat and the Department of Children's Services.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Children's Services. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgements. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As deputy minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the province under ministry administration,
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Children's Services any information needed to fulfill their responsibilities, and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Paula Tyler

Paula Tyler
Deputy Minister

August 3, 2001

Illustration by Danielle (age 7)

OPERATIONAL OVERVIEW

Alberta Children's Services **ORGANIZATIONAL CHART**

Minister's Office
Honourable Iris Evans

Gary Severtson, MLA
Youth Secretariat

Bob Rechner
Office of the Children's Advocate

18 Child and Family Services Authority Boards

Communications

Paula Tyler
Deputy Minister

Partnership and Innovation

Cross Government Initiatives
Strategic Projects
Intergovernmental Support
Partnership Development and Support
Support to First Nations/Metis and the Aboriginal Pillar
Secretariat Services
Information management and Dissemination
Policy Research
Children's Forum

Accountability and Provincial Services

Performance Measures
Provincial Standards
Best Practice Support
Child Welfare Resources
Child Care Resources
Resources for Children with Disabilities
Family and Community Support Services
Community Support
Office of the Prevention of Family Violence
Prevention Strategies
Adoption Services
Post Adoption Registry
Alberta Child and Youth Initiative Development
Day Care Staff Qualifications
Litigation Support

Strategy and Support Services

Strategic Finance, Human Resources and Information Technology
Environmental Scanning
Information Management and Analysis
Ministry Correspondence
Legal and Legislative Support
Business Planning
Employee Development
Freedom of Information and Privacy
Administrative Services

Processing of Finance, Human Resources and Information Technology transactions through the Alberta Corporate Service Centre

Under Alberta law, the provincial government is accountable for services provided for the safety, security and well-being of children and families.

A number of entities work together to fulfill the six core businesses of the Ministry of Children's Services. These entities include:

Child and Family Services Authorities

Each Child and Family Services Authority (CFSA) is led by a community board, whose members are from the community and appointed by the Minister of Children's Services. The boards provide strong leadership and work closely with communities in the region.

The board's policies and decisions are implemented by the authority's chief executive officer, who also manages the daily operations of the authority and ensures the regional system runs effectively. There are more than 2,000 CFSA staff throughout the province who report to the authorities through the chief executive officer.

Each CFSA:

- Assesses needs, sets priorities, plans, allocates resources, and manages the provision of services to children, families and other community members in the region
- Ensures that children and families have reasonable access to quality services
- Ensures that provincial policies and standards are followed in the region
- Monitors and assesses the provision of child and family services
- Works with other authorities, public and private bodies, and government to coordinate services for children and families.

Child and Family Services Authorities

Sun Country
Southeast Alberta
Windsong
Calgary Rocky View
Hearthstone
Diamond Willow
Ribstone
West Yellowhead
Keystone
Ma'mowe Capital Region
Sakaw-Askiy
Sakaigun Asky
Region 13
Region 14
Neegan Awas'sak
Awas'sak
Silver Birch
Metis Settlements

Youth Secretariat

The Youth Secretariat was created to identify issues affecting Alberta's youth and to recommend ways to address these issues. Youth Secretariat staff help the secretariat connect with its partners – including MLAs, ministry representatives, partnering departments, youth and their families, and other stakeholders – and work collaboratively to address issues facing Alberta's youth. They establish and maintain the Youth Advisory Panel.

Office of the Children's Advocate

The Office of the Children's Advocate provides advocacy services to children who are receiving child welfare services. It represents their rights, interests and viewpoints. The office reports directly to the minister. It also identifies issues of concern in the child welfare system and provides advice to the minister regarding these issues.

Social Care Facility Review Committee (SCFRC)

The SCFRC is a citizen panel with a legislated mandate to visit provincially funded social care facilities and investigate complaints. The committee reports directly to the Minister and is chaired by an MLA.

Communications

The Communications branch works to provide Albertans with useful, timely and clear information about Children's Services and related issues. Communications staff provide ministry and cross-government communications planning and consulting support, plan and implement communications programs, provide media relations on behalf of the ministry, and provide graphic design, advertising and printing production assistance and advice. Communications also creates, coordinates and monitors the internet presence in the department. Six regionally-based communications staff provide communication services to the Child and Family Services Authorities.

Accountability and Provincial Services Division

To effectively support children and families in Alberta, Children's Services maintains strong links with its partners in the community and throughout government. The ministry works with these partners to ensure that children and families are provided with the best possible programs and services.

Staff in the Accountability and Provincial Services Division provide support to Child and Family Services Authorities, Family and Community Support Services programs, and other community partners by offering guidance and expertise in accountability and program delivery. They also manage provincial programs.

Strategy and Support Services Division

The business professionals in this division help guide Child and Family Services Authorities and other partners in areas such as the development of business strategies, funding goals and training guidelines for employees. Staff also serve as a link to the Alberta Corporate Services Centre by defining service requirements, monitoring service delivery and managing service agreements.

Partnership and Innovation Division

Staff in Partnership and Innovation work to build relationships that support Alberta's children and families. They develop the ministry's partnerships with its staff, Child and Family Services Authorities, other government ministries, communities, stakeholders, First Nations, Metis and Aboriginal communities as well as provincial, territorial and federal governments. The division also develops projects involving these partners.

As well, staff in this division work collaboratively within the ministry and with other departments to provide research services, gather and disseminate information and evaluate provincial programs to support program and policy development.

Children's Services recognizes that the primary responsibility for children lies with the parents. Recognizing the role of parents and caregivers, the provincial government has a legislated responsibility for children's services shared with parents, communities, Child and Family Services Authorities (CFSAs), child care practitioners, other levels of government, and the public. The following core businesses and goals reflect the shared accountability of Authorities and organizations, including the department, that form the Ministry of Children's Services. It also reflects the ministry's relationship with municipalities and Métis settlements through Family and Community Support Services, in achieving positive outcomes for Alberta children and families.

Within this system of shared responsibility and co-operation, Alberta Children's Services, under the direction of the minister, takes the lead in:

CORE BUSINESS 1: SUPPORTING THE WELL-BEING AND HEALTHY DEVELOPMENT OF CHILDREN AND YOUTH
Through services provided by the Child and Family Services Authorities, the Ministry will continue to ensure that Alberta children and families are safe and free from abuse and neglect. Children's Services will also be working with Ministry partners to increase the capacity of children and youth to develop to their full potential, by providing prevention, promotion and early supports to children and families.

CORE BUSINESS 2: SUPPORTING FAMILIES, GUARDIANS, CARE-GIVERS AND INDIVIDUALS
Recognizing the role of the family and care-givers, Children's Services will work with Authorities, Family and Community Support Services and other partners to provide supports to families that increase their capacity to provide nurturing and protective environments for children. We will encourage new approaches to supporting children, youth and parents in the development of life-long, nurturing relationships. Ministry partners will also work to prevent family violence and address its impact on children and families.

CORE BUSINESS 3: SUPPORTING HEALTHY COMMUNITIES
Children's Services will support a community-based approach to delivery of services to children and families. Through support to Authorities, Aboriginal communities, municipalities and community-based programming through Family and Community Support Services, the Ministry will work to increase the ability of communities to meet the needs of their children and families.

CORE BUSINESS 4: PROMOTING ADVOCACY FOR CHILDREN, YOUTH AND THOSE AT RISK
The Ministry will continue to provide advocacy services to children and youth through the Children's Advocate. In addition, the Ministry will support increased public involvement, understanding and knowledge of issues affecting children and families, and will work to provide opportunities for children, youth, families and communities to have a voice in decision making.

CORE BUSINESS 5: SUPPORTING HIGH QUALITY, ACCOUNTABLE SERVICES
Children's Services will work to increase the satisfaction of community and stakeholders with the services they receive from the Ministry. The Ministry will work within the context of the government shared services strategy to ensure effective human resource, financial and information technology management. We will also support and assist Child and Family Services Authority boards and Family and Community Support Services board volunteers to ensure effective and accountable governance. By working with our partners and developing new partnerships, the Ministry will promote effective approaches to addressing the issues facing children and families, and an integrated, child-centered, and family focused system of services.

CORE BUSINESS 6: SUPPORTING INNOVATION AND TRAINING
Children's Services will continue to work with Ministry partners to ensure that Child and Family Services practitioners are highly skilled and trained. The Ministry will ensure that training programs are developed to support effective staff deployment and use of technology. By encouraging innovative approaches and building on best practices, we will work to develop a culture of continuous learning and improvement.

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ALBERTA CHILDREN'S SERVICES 2000-01 ANNUAL REPORT

RESULTS ANALYSIS

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MESSAGE FROM THE DEPUTY MINISTER

The Children's Services Ministry was formed two years ago and since then much work has been undertaken to reach desired department staffing levels and fine tune accountability processes with the 18 Child and Family Services Authorities. Our ministry continues to grow into a cohesive unit that works collaboratively with its stakeholders to deliver services for children, youth and families in communities across Alberta.

As of March 31, 2001 the Children's Services Ministry had 2,587 full-time staff positions. Of this number, 2,278 were at Child and Family Services Authorities providing local community services for children and families. Corporate staff work with 18 Child and Family Services Authorities, the Children's Advocate, the Youth Secretariat, Social Care Facilities Review Committee, Family and Community Support Service partners and community stakeholders to deliver the best services for our children.

Children's issues are one of the top four priorities for the provincial government through the Alberta Children and Youth Initiative, a cross-ministry partnership to enhance the well-being of Alberta's children and youth. The Children's Services Ministry is a leader on the national stage as other provinces look to our example in dealing with problems related to children's issues.

Our financial picture during the 2000-01 fiscal year shows consolidated revenues were $121 million, approximately $31 million higher than in the previous year. The increase is attributable to the Government of Canada reinstating a portion of the Canada Health and Social transfer payments.

Spending increased by over $79.5 million from the previous year due to continued growth in child welfare and handicapped children cases. Increased investments were also made in proactive programs such as early intervention, permanency planning and combating Fetal Alcohol Syndrome. Increases were funded through an increase to our base allocation and a supplementary estimate of $50.2 million.

In the year ahead we will continue refining our community-based delivery system and accountability processes. We will continue focusing on the needs of our children and families and incorporating Albertans' shared vision for their families into our business planning process.

We look forward to tackling this hard work head-on and are committed to the tasks that lie ahead. Our children are our future — there is no greater responsibility.

Paula Tyler

Paula Tyler
Deputy Minister

The four pillars are a major focus of the 18 Child and Family Services Authorities (CFSAs):

1. *Early Intervention*
2. *Improved services for Aboriginal children and families*
3. *Community based services, and*
4. *Integrated services*

Early Intervention

The CFSAs' work in 2000-2001 has been mainly focused in the area of Early Intervention. This reflects the new philosophy adopted by the ministry that recognizes the critical role of prevention services, especially during early childhood. Supporting families of young children is particularly important to help establish a strong foundation for the child's ongoing development and is, consequently, a long-term investment in the child's life.

Sun Country has piloted a voluntary primary prevention project for parents and children from conception to three years of age in the community of Raymond. It plans to expand this program in rural areas that have few community resources.

Southeast Alberta launched the Healthy Start project, beginning in Brooks and expanding to Medicine Hat. The success of the project was a result of integrating the existing home visitation programs in the region.

Windsong is involved in a number of early intervention projects that are new to the region. An example is the Healthy Families program, through which families who may be overburdened are encouraged to accept in-home supports as a means of alleviating stress and promoting a more positive, healthy home environment.

Calgary Rocky View has established a mentoring program for parents of children from birth to three years of age suffering from Fetal Alcohol Syndrome/Fetal Alcohol Effects (FAS/FAE). It has also developed a respite and relief program for parents and children with special needs, in addition to several other programs that address the needs of children with FAS/FAE.

The Ribstone Child and Family Services Authority has created a broad partnership to develop and manage a home visitation program. The Authority has also integrated its own home visitation programs with the regional initiative and is contributing funding over and above the provincial Home Visitation Initiative grant.

Keystone has implemented an innovative early intervention family violence program, using an approach that simultaneously responds to all family members. Through psycho-educational group sessions, participants in the Comprehensive Family Violence Initiative learn new skills to affect positive and healthy conflict resolution. Early promising outcomes are evident in the increased referrals and requests by parents for additional modules to enhance their parenting skills, and the reduced fear and tension in participants' homes.

In partnership with other agencies and ministries, Sakaigun Asky has helped spearhead development of the Lakeland Fetal Alcohol Syndrome (FAS) clinic that is based in Cold Lake. The clinic has a ten-member disciplinary team and offers diagnostic services for children suspected of being afflicted by FAS/FAE. It also offers support and training to family member of these children. The team is starting to offer mobile clinics in the spring of 2001.

Region 13 has established Healthy Families, a voluntary program for first-time parents of a newborn that provides access to supports as needed. The Authority is also pooling resources to assist parents of newborn to five-year-old children through another program, the Preschool Team, based on a community partnership.

Silver Birch has implemented two additional early intervention programs in two schools, bringing the total program coverage in the region to seven schools. With the implementation of a new street-based early intervention youth drop-in program, the region now has three early intervention street-based initiatives.

Supporting Aboriginal Communities

The CFSAs have invested considerable efforts in supporting and empowering aboriginal communities in the delivery of their own services to children and youth, and in ensuring their participation in the ministry's decision-making.

Calgary Rocky View established an Aboriginal Mediation Circle to provide an opportunity for aboriginal families to participate in mediation prior to issues proceeding to court. The service is guided by aboriginal members and provides a non-confrontational method to resolve conflict.

Through cooperation between Diamond Willow and the aboriginal community, numerous activities have been undertaken by the Aboriginal Community Council and elders to support children and youth. These include an elders' forum, Aboriginal Neighbourhood Places, girls' camps, an addictions program and Tawow Healing Homes. For the first time in 20 years, an aboriginal wellness worker was recruited in the Wild Rose School Division.

West Yellowhead held its third Elders Gathering that brought 35 elders together from various First Nations communities in the region, along with service partners and observers. The goal of the gathering was to find ways to improve services to aboriginal children and families, and to sensitize service providers to cultural differences in communication and their effect on service delivery.

Through the Partnership Integration Fund, Sakaw-Askiy is providing matching grants to aboriginal community organizations wishing to develop programs that have positive impact on youth and families. To date, 12 programs have received funding up to $10,000, including family violence outreach, leadership skills for aboriginal youth, and a Community Youth Conferencing project that is helping youth resolve their conflicts and accept responsibility for their actions.

There has been an increase in the number of aboriginal staff at Region 14 with the hiring of an aboriginal liaison advisor and an aboriginal child welfare worker.

Neegan Awas'sak has achieved a number of accomplishments in 2000-2001 that are benefiting aboriginal children and families. Among these is a voluntary pre-crisis program that has the potential of reaching 300 families per year, by ensuring a 24-hour response time to families experiencing difficulties. With the implementation of contracted group conferencing, the region now has the capacity of moving from case planning to family planning in complicated child welfare matters. The opening of a visiting office in Trout Lake is considered to be another major accomplishment, since services for children and families have never had a constant presence in the Northern Lakes Areas.

The Awas'sak CFSA has been providing training and support to child welfare staff of the Athabaska Tribal Council. The partnership has been a tremendous asset to the council toward achieving its goal of delivering direct child welfare services.

Region 18 has established partnerships with the Métis Settlements General Council and the provincial and federal governments that enable communities to assume responsibility for the delivery of alternative and restorative justice services. In addition to community justice committees, these initiatives have included diversion, victim-offender reconciliation, mediation, healing circles and other forms of alternative dispute resolution. Implementing aboriginally-sensitive intervention programs at the settlement level has enabled Region 18 to support children and families in reaching their full potential.

Supporting Community-based Services

The CFSAs have considerably increased access to services for children and families through the establishment of a number of neighbourhood and community resource centres. Drawing on the strengths and resources of the community, the CFSAs have also been very active in assisting communities to take their own initiatives and address their own needs.

Through partnerships with local Family and Community Support Services, Southeast Alberta has placed community workers in Brooks, Oyen, Medicine Hat, and the Country of Forty Mile. These workers assist the public in accessing resources in the community and in the development of these resources.

Three multi-service team community-based offices were developed by Calgary Rocky View to provide services in closer proximity to children and families. One of these offices is located in the municipal district of Rocky View and provides much-welcomed services to the rural area surrounding Calgary.

Hearthstone has created local Area Resource Centre and community-resource co-ordinator positions to help local communities develop and better utilize their own resources. The initiative would result in the expansion of existing services and the creation of new ones, and thereby helps communities meet identified needs of children and families.

The 22 Neighbourhood Places established by Diamond Willow have been instrumental in creating youth drop-in centres, FAS support programs and family wellness initiatives. More than simply involving communities, these centres are community-owned and -operated mechanisms for resolving local social issues, coordinating efforts, and planning services for children and families.

West Yellowhead established six Community Advisory Councils (CACs) to work with its service centres in Spruce Grove, Stoney Plain, Wildwood, Edson, Hinton and Jasper. The CACs serve as a liaison between the board, the service centre and the community on matters involving services to children and families in need. A new service centre was also established in Spruce Grove to improve accessibility and bring services for children and families to the front line.

Ma'mowe opened the first new Neighbourhood Centre in north central Edmonton, which resulted in improving community awareness and access to services. Two other Centres have been established and will be opened soon, while seven others are expected to be in place by the end of 2001.

The Sakaigun Asky and Native Counselling Services of Alberta have been offering families in crisis family group conferencing and concurrency planning. Through this approach, members of an individual's extended family are brought together with community members to create a plan supporting the individual through his/her family crises. Meanwhile, participants also agree to a concurrent plan for permanent placement of children, were the individual not able to follow through the original agreement.

Region 13 facilitated the establishment of community councils in Grande Cache, Grimshaw and Valleyview, and set up community resource centres in these areas. In addition to providing information and service-coordination, these centres ensure key communication linkages and accessibility to services and supports for the public at large.

Region 14 opened the Manning Family Resource Centre to provide resources to children and families living in, and near, this community.

Awas'sak created community resource centres to provide front-line services and advocacy to residents of the isolated, rural areas of Janvier and Conklin. Staffed by workers who live in the community, these centres are culturally sensitive to the residents' needs. Services provided by the centres include one-stop support, crisis intervention, advocacy, referrals, and community development focused on health and wellness.

Silver Birch established four community resource centres in High Level, Fort Vermilion, La Crete and Rainbow Lake. These centres are providing assessment, referrals, crisis counselling and community development services.

Due to comprehensive and timely community-based intervention services initiated by Region 18 staff, children who were on the verge of becoming permanent guardians of the province have been placed back with their families. These services are raising the level of interest and appreciation for social consequences among children and families living in the Métis settlements, and increasing their awareness of the social impact of role modeling and personal accountability.

Supporting Integrated Services

The CFSAs have been involved in a number of partnerships with various stakeholders that facilitated the delivery of integrated and holistic services to children and families. In addition to the ones discussed here, many of the initiatives included under the previous three pillars also support the integration of services.

Following input from the foster care community, integration of foster care was undertaken in the Southeast Alberta region. The initiative resulted in a coordinated regional response that has reduced duplication and provided more consistency of foster care services, and is promising higher efficiency in recruitment and support.

Windsong Authority has collaborated with several community partners on a number of preventive and child welfare projects to improve the delivery of services to children and families. As a result, new child welfare and early intervention programs were established, the family school liaison programs were expanded, and Family Resource Centres were created in addition to a Children's Mental Health team.

Family service agencies have been linked to each of Ma'mowe's Neighbourhood Centres, with two or three agencies linked to each centre. The process helped child and family service workers develop stronger working relationships with agency staff, leading to closer collaboration in working with families. Agencies are developing greater familiarity with particular communities in the region, which is helping them link families more effectively to the community-based supports they need.

Neegan Awas'sak Authority was a key stakeholder in establishing local Partnership Councils. These councils are a venue for organizations and agencies in different locations to find ways to pool their resources for building healthier communities.

REPORT OF THE AUDITOR GENERAL

ON THE RESULTS OF APPLYING SPECIFIED AUDIT PROCEDURES TO PERFORMANCE MEASURES

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Children's Services performance measures included in the *2000-2001 Annual Report of the Ministry of Children's Services.*

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.
2. The calculations that converted source information into reported measures were tested.
3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit of the set of performance measures and therefore I express no opinion on the set of measures included in the *2000-2001 Annual Report of the Ministry of Children's Services.*

Original signed by
Peter Valentine, FCA
Auditor General

Edmonton, Alberta
August 3, 2001

The following section outlines core businesses, goals, strategies, desired outcomes and performance measures related to these outcomes.

Over the past year, the ministry has taken steps to build its capacity to develop sound performance measures and performance management systems. Development work in the area of performance measurement has focused on expected outcomes and fostering greater involvement at all levels of the ministry in developing, monitoring and reporting on performance measures.

In building capacity, infrastructure, systematic processes and an organizational culture to support performance measures, the ministry has launched several initiatives. A logic model development process which links program activities to expected outcomes has been implemented across program areas and promoted for use within Child and Family Service Authorities (CFSAs).

Ongoing ministry and CFSA Performance Management Committees have been established to coordinate and enhance performance measurement. Work has also been initiated on the development of business intelligence tools and a performance management information system to focus and link data gathering efforts to outcome reporting. Results of this work will be demonstrated through the continuous improvement in performance measures over the next business planning period.

CORE BUSINESS ONE

Supporting the well-being and healthy development of children and youth.

The ministry has adopted a holistic approach that recognizes the interdependency of a child's physical, mental, emotional and social needs throughout all developmental stages. It has created numerous initiatives that address this broad range of needs.

The ministry's key to success is engaging various stakeholders and community groups. It has been instrumental in forging cross-jurisdictional partnerships and ensuring collaboration at the community level. It has also been assuming a key role in supporting service providers by offering information, training and other resources to enhance delivery of children's services and programs.

Goal 1.1: CHILDREN AND YOUTH HAVE OPPORTUNITIES TO REACH THEIR POTENTIAL.

STRATEGIES

1.1.1

Initiate plans across government and with community partners to develop effective, co-ordinated strategies that ensure Alberta's children from pre-conception to age six are well cared for, safe, are successful at learning and healthy.

1.1.2

Develop federal/provincial/territorial collaborative opportunities to advance early childhood development and youth issues.

New initiatives were developed to provide further support and intervention for children and youth at risk, based on recommendations of the Children's Forum (1999) and the Task Force on Children at Risk (1999-2000).

It has been clearly established that a child's experiences in the first few years of life set the basis for social, emotional and intellectual development throughout life. As a result, the Early Childhood Development Initiative (ECDI), under the Alberta Children and Youth Services Initiative (ACYI), focuses on early intervention.

Children's Services' lead role during intergovernmental discussions culminated September 2000 with the First Ministers' Communiqué on Early Childhood Development. The Communiqué sets out the objectives of the ECDI including how the governments will work together, funding issues and reporting guidelines. The ECDI in Alberta will receive $29.3 million in 2001-2002, increasing to nearly $50 million in future years, through the federal Canada Health and Social Transfer (CHST).

- The ministry continues to collaborate with other provinces, territories and the federal government on an intergovernmental work plan to implement the Early Childhood Development Accord.
- The ACYI, a cross-ministry partnership, is developing an Early Childhood Development strategy, which identifies key priority areas for early childhood development investment in Alberta.
- Alberta led in the approval of the new Provincial/Territorial Protocol on Children and Families Moving Between Provinces and Territories, which was implemented March 1, 2001. The protocol aims to ensure quality, consistent child protection services for children and families that move within Canada. This includes smooth transition and effective emergency response.
- Children's Services played an important role in planning the National Meeting of Justice and Child Welfare Officials on Children and Youth Involved in Prostitution. Held in November 2000, the ministry led in the development of recommendations to the Deputy Ministers of Justice and Social Services.
- Children's Services made presentations on Child Victims in the Home and Children in the Sex Trade - two of the main agenda items at the first joint Federal/Provincial/Territorial meeting of Justice and Social Services Deputy Ministers in June 2000.

1.1.3

Working collaboratively with other departments and community stakeholders, the Youth Secretariat will identify and address the needs of adolescents in Alberta.

The Youth Secretariat represents a formal structure within which issues affecting youth can be identified and addressed.

- The Secretariat completed a review on how adolescents are being dealt with in the Child Welfare system and identified a number of priority areas. One is to provide youth in care with opportunities to establish stable relationships with adult role models, and compatible, secure placements and supports. Other priorities are to provide transitional services for youth to explore innovative community supports, and to increase community awareness and acceptance of youth in care.
- A Youth Advisory Panel has been established, comprising 13 teens of various multicultural, aboriginal and special needs backgrounds. Three of these teens received the provincial Great Kids Award for their contribution to their communities, schools and families. The panel has been providing feedback and recommendations regarding the ministry's youth initiatives; they have identified priorities for youth, identified transitional issues, and recommended enhancing mental health services for selected groups of children and youth in Child Welfare.
- The Youth Secretariat engaged in a number of initiatives with key internal and external stakeholders, including the seven Regional Youth Forums aimed at increasing visibility and focus on youth issues.
- The Secretariat has participated in a number of inter-governmental collaborations to improve service to Alberta's youth. This includes the Alberta Mental Health Board review of suicide intervention programs, and the improvement of protocols between Children's Services and Youth Justice.

1.1.4

Provide support to children with Fetal Alcohol Syndrome/Fetal Alcohol Effect and other handicapping conditions.

Through the multi-stakeholder Alberta Partnership, a comprehensive and culturally sensitive provincial plan was developed for individuals with, or at risk of, Fetal Alcohol Syndrome (FAS) or alcohol-related defects. The plan aims at: (1) preventing Fetal Alcohol Syndrome, and (2) enhancing community capacity for providing care and support to those already affected by Fetal Alcohol Syndrome.

- Under the leadership of Children's Services, a working committee was established to evaluate the partnership with representation from Learning, Justice, Health and Wellness, Mental Health, the Ad Hoc Committee on Fetal Alcohol Syndrome from Nechi Training Research, and the Health Promotions Institute. The evaluation culminated in a highlights report. Planning commenced for a process evaluation of the Alberta Partnership on Fetal Alcohol Syndrome next year.

1.1.5

Work in partnership to enhance supports available to youth making the transition to adulthood.

The Transitional Supports for Youth Leaving Child Welfare Initiative provides support in transition to independent living for youth deemed in need of protection under the Child Welfare Act. Supported independent living, mentoring, and incentives and supports to pursue education or training are expected to increase these youths' potential to become stable and productive contributors to society as adults.

- The Preparing for Independence manual and training offered to youth in transition to adulthood were reviewed to ensure they reflect the current realities faced by this group.

- Procedures for having the Public Guardian's Office assume responsibility for a dependent adult leaving Child Welfare or Handicapped Children's Services were reviewed to ensure the smoothest possible transition.
- In November 2000, the Government of Alberta announced support for a mentoring and bursary program for youth leaving Child Welfare. The process for program development includes meaningful participation from former youth in care, the Youth Advisory Panel, and community experts on mentoring and aboriginal consultation.

1.1.6

Provide services to children with developmental disabilities through Child and Family Services Authorities.

The goals of Handicapped Children's Services (HCS) are to support the child within the family, foster the child's developmental growth and participation in community life, and retain family involvement if a child requires out-of-home support.

- Results of the May 2001 HCS Client Satisfaction Survey show that 89 per cent of families are satisfied overall with the services they receive from HCS.
- HCS provides support to families with children who have disabilities to help them meet some of their many needs. Supports include information and referral, assisting parents in obtaining and co-ordinating required services, and direct financial benefits to purchase specific services. Funding is provided for: benefits such as family support services (respite), homemaker and aide services, out-of-home support, dental, prescription/ambulance, special formulas and diet, counselling services, day care, clothing and coverage of some personal expenses incurred while obtaining specialized treatment for a child.
- HCS provides support for an early intervention treatment, Intensive Behavioural Intervention (IBI), to children with autism. IBI assists autistic children through one-on-one therapy treatment to improve communication, academic, social and behavioural skills.

Goal 1.1: Children and youth have opportunities to reach their potential.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:

- **Services available for early support of children and families**
- **Strategies in place to address children's needs as they pass through all key transitional stages of growth and development**

PERFORMANCE MEASURE: **Percentage of youth who are successfully independent following involvement with Child Welfare**

The Youth Secretariat is developing a framework to address youth issues across all ministries. The "Transitional Supports for Youth Leaving Child Welfare" project will enable Children's Services to assess the readiness of youth to live on their own, as well as identify outcomes for youth who participate in the mentoring program to enhance life skills and/or the bursary program for education and training. Input for further developmental work on performance measures will be forthcoming from the Youth Advisory Panel, which arose from the Children's Forum.

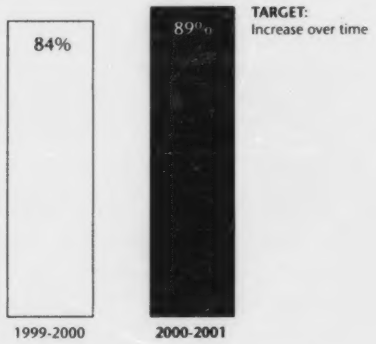
Data collection tools and data sources are being identified through these initiatives and projects. The tools will enable the ministry to measure critical success factors of a youth's preparedness for independent living, identify areas of strength, and identify areas needing additional supports. An example of a measurement tool being considered is an exit interviewing process for youth in care who turn 18. A measure will be included in the 2002-05 Business Plan.

PERFORMANCE MEASURE:
Percentage of Handicapped Children's Services clients reporting satisfaction with the supports they receive from the ministry

For children and youth to have opportunities to reach their potential, the supports they receive from Handicapped Children's Services must be relevant and valuable. The level of parent/guardian satisfaction with the supports indicates that the services met their needs.

A survey was conducted in 1999-2000 and again in 2000-01. The survey was conducted at the provincial level in cooperation with the Child and Family Services Authorities. The result reported is in response to the question, "Overall, how satisfied are you with Handicapped Children's Services?" and combines "very satisfied" and "somewhat satisfied" categories.

Overall satisfaction with the Handicapped Children's Services Program



Source: Handicapped Children's Services Survey,[1] 2001

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[1] For Methodology see page 116 in Appendix

1999-2000 was the first year this data was collected, therefore, 84 per cent is considered the baseline for this measure. The target is to "increase over time" the satisfaction level of participants in the Handicapped Children's Services program. In the 2000-01 year, overall satisfaction was 89 per cent, an increase of 5 per cent over previous year's result. This increase may be attributed to improved program service and delivery and/or improved survey methodology. In 1999-2000, the survey was mailed out to randomly selected Handicapped Children's Services clients, while in 2000-01 both a mail-out and a telephone follow up were employed. This approach resulted in a higher response rate and decreased self-selection respondent bias, thereby reflecting a more accurate representation of the population.

GOAL 1.2: ALBERTA CHILDREN ARE FREE FROM ABUSE AND NEGLECT.

STRATEGIES

1.2.1

Develop and implement a formal framework for assessing and reducing risk to children in need.

The framework aims at increasing the accuracy, consistency and objectivity of child welfare workers tasked with assessing and reducing risk of abuse for children. It consists of two components, risk assessment and risk reduction. The risk assessment component uses a Safety Assessment tool and a Risk Assessment tool, both of which have proven validity and reliability. The risk reduction component will develop tools to work with the families to build strategies for reducing/eliminating risk.

- The framework is being implemented in two phases. Safety and Risk Assessment tools are being implemented in phase one in 1999-2001. The risk reduction model will be developed and implemented in phase two.
- Phase one tools were tested in Alberta by 21 workers in 18 work sites. An evaluation reported that workers and their supervisors found the tools useful and helpful and were integrated into existing practice at four work sites.

1.2.2

Work in partnership to educate and increase awareness of service providers and public on the Protection of Children Involved in Prostitution legislation at the local level.

In June of 1996, the Government of Alberta established a Task Force on Children Involved in Prostitution that had wide community representation. A task force recommendation resulted in the Protection of Children Involved in Prostitution Act in 1999. A judicial review confirmed the legality of the act in December 2000.

1.2.3

Work in partnership to develop and provide a range of community-based services and supports related to the protection of children involved in prostitution.

Children's Services is committed to the development of a holistic, collaborative approach to offering services to children involved in prostitution, and ensuring that service providers and the public are aware of the underlying principle of the Protection of Children Involved in Prostitution (PChIP) Act – that children involved in prostitution are victims of child sexual abuse.

- A committee involving five government ministries has contracted with the Canadian Red Cross to develop an awareness training manual. Training will be held in five sites across Alberta in October 2001. The committee is also planning a media campaign for Spring 2002 aimed at sending positive messages to children at risk of prostitution, and increasing awareness about the sexual exploitation of children.
- PChIP policy manual has been revised and continues to provide support to front-line social workers delivering services. A computer information system was developed to further assist front-line workers with service delivery and statistical data collection.
- Recognizing the need for enhanced treatment programs to protect children involved in prostitution, the minister announced an increase to the PChIP budget of $10 million over the next three years. These funds will be allocated to developing new treatment programs and outreach services for children involved in prostitution, as well as raising community awareness.

- A forum involving numerous ministries and community stakeholders was held in August 2000 to provide the minister and department staff with input on program effectiveness and development opportunities. This feedback led to the development of the PChIP Amendment Act, which was proclaimed in March 2001 to enhance the protection provided to children involved in prostitution while ensuring that their legal rights are protected.
- An evaluation is being conducted on the implementation of the PChIP Act and resulting programs, which will provide research into best practice treatment. The evaluation will be completed in fall 2001. Meetings at the CFSA and provincial level, as well as community-based committees established in Calgary Rocky View and Ma'mowe, provide feedback on PChIP Services.

1.2.4

Assist Child and Family Service Authorities and Family and Community Support Services programs in developing early support programs that enhance the safety of children in their homes and communities.

A Home Visitation program has been developed for at-risk families with children newborn to 6 years old. The program is a mentoring process where support is provided to families in their homes to enhance parenting skills, provide information on child development, child health and other aspects of positive parenting functioning. The program is expected to increase supports to parents of young children so their children, free from abuse and neglect, are able to enjoy healthy growth and development.

- Six million dollars per year for the years 2001-2004 has been committed to provide the home visitation services to families.
- Regions 2, 6, 8, 10, 11 and 13 have some level of programming established. Already, some positive impacts are occurring where the program is operating. For example, one CFSA reported that five families were not referred to Child Welfare because of their participation in Home Visitation.
- Dr. Bruce Perry, an expert on the importance of early brain development as a cornerstone to early child development, was brought from Texas. He presented his concepts to 600 government staff and key decision-makers. Dr. Perry's work is also being used as background research for the design of early support programs.

Goal 1.2: Alberta Children are free from abuse and neglect.

OUTCOMES & PERFORMANCE MEASURES

OUTCOME: **Children live in safe, supportive environments**

PERFORMANCE MEASURE: **Percentage of children who stay free from abuse or neglect while receiving child protection services**

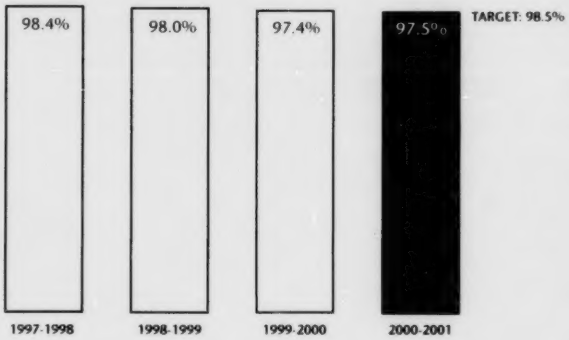
The 2000-2001 Business Plan set a target of 98.5 per cent for the percentage of children who are free from abuse or neglect while receiving child protection services. There will be circumstances, however, where it is beyond the control of Child Welfare to keep children from being abused or neglected. The percentage of children who remain safe from abuse or neglect while receiving child protection services has remained in the range of 97 to 98 per cent range for the last few years.

Performance Measure: Number of Voluntary Service Agreements (VSA) as a percentage of apprehensions

An outcome for the ministry is that children are free from abuse and neglect, which includes protection from child prostitution. The 2000-2003 Ministry Business Plan identified the **"percentage of children leaving prostitution"** as a performance measure of Alberta children staying free from abuse and neglect, specifically child prostitution. To operationalize this measure, the ministry is reporting the number of Voluntary Service Agreements as a percentage of apprehensions.

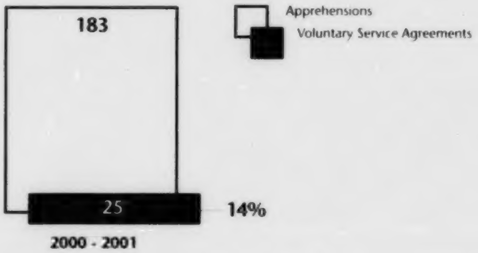
The PChIP Act enables police and social workers to apprehend children engaging in prostitution or attempting to engage in prostitution. Through the Voluntary Service Agreement, the child or youth receives supports and services that will enable them to leave prostitution. A director, guardian and child sign Voluntary Service Agreements, or the VSA is signed by a director and a youth who is 16 or 17 years of age.

Children who stayed free from abuse or neglect while receiving child protection services



Source: Child Welfare Information System

Number of Voluntary Service Agreements as a percentage of apprehensions



Note: A child can be apprehended or sign a Voluntary Service Agreement (VSA) more than once. Children who are in care under the Child Welfare Act do not sign VSAs, but can be apprehended under the PChIP Act. Also, a child can voluntarily sign a VSA without being apprehended under the PChIP Act.

Source: Protection of Children in Prostitution module of Child Welfare Information System (CWIS)

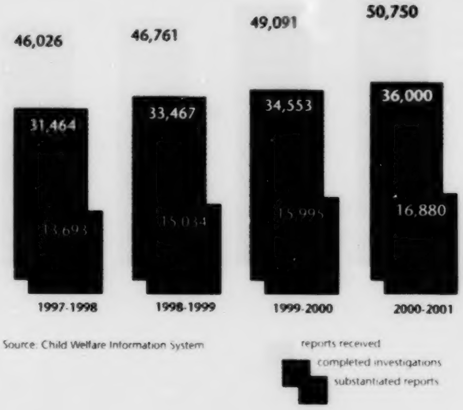
As this is a new measure, the 2000-01 result would establish a baseline for comparison with future results. These data are on a fiscal year basis. However, it should be noted that during the period, July 28 to December 21, 2000 when the PChIP Act was challenged and came under Judicial Review, only Edmonton continued to apprehend children under the PChIP Act. Other jurisdictions utilized the Child Welfare Act, and the total number of apprehensions reported does not include this data. A child can be apprehended more than once. There were 183 apprehensions involving 77 unique individuals, and of the 25 Voluntary Service Agreements signed, 20 involved unique individuals. With enhancements to the information system, better quality and well-defined data will be reported in future.

Supplemental Measure

Reported, investigated and substantiated incidence of child abuse and neglect

The ministry responds to reports from community members about children who might need protection. Staff investigate to determine whether a child needs protection. If the child's guardian cannot or will not protect the child, staff provide services that make sure the child is protected. In the graph below, 'reports received' represent the number of children who were reported to be in need of protective services under the *Child Welfare Act*. 'Completed investigations' are the number of children where the report led to a full investigation being completed. 'Substantiated reports' represent the number of completed investigations where a child was found in need of protective services.

Number of Children reported to be in need of protection, investigated and substantiated



Source: Child Welfare Information System

GOAL 1.3: REDUCE THE NEED FOR CRISIS MANAGEMENT AND INTERVENTION.

STRATEGIES

1.3.1

Help Child and Family and Community Support programs develop early support services that are community-based, integrated and focused on positive outcomes.

- Work has been completed on the Minister's Task Force on Children at Risk, and information from the final report, Start Young Start Now, has been incorporated into the Ministerial Request for Funding. The report continues to be "alive" in the community and is used by many community partners.
- Support has been extended for two years to the Taber Response Teams that were created following the school shooting death in Taber in 1999. The teams, including mental health and family school liaison workers, respond to the needs of students and their families when a crisis occurs.

1.3.2

Participate in the development of a comprehensive mental health system that addresses the needs of children from birth to 18 years.

In 1999, The Children's Mental Health 3-Year Action Plan was submitted to the government to develop a comprehensive system of children's mental health services. As part of the broader Alberta Children and Youth Services Initiative (ACYI), this inter-ministry initiative intends to implement a provincial framework.

- Children's Services was a key participant in the Children's Mental Health Provincial Working Group, chaired by the Alberta Mental Health Board (AMHB).
- Under the Children's Mental Health Initiative, the government allocated new funding including $2 million to the AMHB to enhance in-home support services; $1 million in support of youth with mental health needs in the Young Offender system; and $1 million in support of children in care within the Child Welfare system.

1.3.3

Help identify local priorities and service plans for the Student Health Initiative (SHI).

In March of 1999, the government announced the Student Health Initiative to enhance health-related services for students identified with special needs. The intent is to help children fully participate in their education programs and be successful at learning. The inter-ministry initiative has participation from Children's Services, the ministries of Learning and Health and Wellness, and the Alberta Mental Health Board.

- Twenty-two partnerships have been formed across the province to develop and implement regional joint service plans. Each partnership includes school, regional Health and Child and Family Services Authorities, and the Alberta Mental Health Board regional office.
- A joint annual plan submitted by the partnerships documents funding decisions and integrated services. The first disbursement of the 2000/2001 SHI funding allocation was released through Alberta Learning to the partnerships starting in September, while the second disbursement was released in April 2001.
- Innovative services are being added to the delivery system, along with enhancements to existing services. Partnership plans indicate that emotional/behavioural support services are the top priority, followed by speech language services and occupational/physical therapy.

- With the support of SHI Provincial Working Group:
  - Post-secondary spaces have been added for training speech language pathologists and assistants.
  - Alberta Infrastructure has provided a single point of entry for partnerships to request office and treatment space.
  - Reporting requirements have been simplified for partnerships.
  - An enhanced website and other forums help partnerships obtain and share information.

1.3.4

Work in partnership to create comprehensive, culturally sensitive provincial plan for the prevention of Fetal Alcohol Syndrome/Fetal Alcohol Effect or alcohol-related birth defects.

Alberta Partnership on FAS (APFAS) is a collaborative cross-ministry and agency partnership, whose mandate is to develop, promote and co-ordinate a comprehensive and culturally sensitive provincial plan for prevention, intervention, and the care and support of individuals with FAS.

- Additional funding was made available this year to support several First Steps programs that provide one-on-one mentoring for women at high risk of alcohol use during pregnancy. Generally, pregnant women have been provided priority access to the Alberta Alcohol Drug Abuse Commission (AADAC) treatment facilities. In Alberta, the Born Free program was also expanded to include over 48 Boston Pizza restaurants and 17 other restaurants in Alberta that provide free non-alcoholic drinks to pregnant customers.

- An FAS training package was delivered to almost 100 front-line and other corrections staff, including those working in young offender institutions, who will serve as an FAS resource base for corrections staff across Alberta. In addition, a diversionary justice program has been implemented in Lethbridge and area, under which an expert team screens adults and young offenders with FAS, providing them with alternative plans to sentencing.

- In collaboration with Alberta Learning, designated FAS special needs student categories have been implemented in schools, and a new action plan has been developed to address the addition of FAS to relevant areas of post secondary education. Improvements in FAS-related resources for teachers provide them with better information and strategies to help meet the needs of students with FAS. Part of these resources is a teaching tool for aboriginal students. Training continues to be provided to physicians and related multi-disciplinary professionals on FAS diagnosis and FAS clinical practice guidelines.

- APFAS continues to work with other provincial and national FAS initiatives to achieve its goals on a broader scale, such as developing a joint public FAS awareness strategy.

Goal 1.3: Reduce the need for crisis management and intervention.

OUTCOMES & PERFORMANCE MEASURES

OUTCOME:	**A continuum of services is in place to meet the needs and promote the well-being of children, families and communities**
PERFORMANCE MEASURE:	**Percentage of children coming into care after receiving prevention and early supports**

Development work is currently underway to group the various types of preventive and early intervention services to reflect the continuum and diversity of service providers involved and to describe the expected outcomes and performance measures related to this area. The outcomes and performance measures will build on measures being developed by prevention and early intervention strategies, home visitation evaluation framework, Family and Community Support Services (FCSS), and the Child and Family Services Authorities (CFSAs).

Examples of early intervention work in 2000-01 include:

The ministry is implementing the Provincial Home Visitation Initiative approved by Treasury as one of the projects to be funded as a result of the Children's Forum and the Task Force on Children at Risk. Regional community collaboratives are planning and implementing intensive home visitation programs targeted at newborn children living in at-risk circumstances. Evaluations of programs that have been in operation for a number of years show significant reduction in child abuse and neglect and increased parenting skills for participants. Initial results from regions where programs are in operation are encouraging. In Edmonton, four out of 10 families with previous child welfare apprehensions have had children returned to parental care and there appears to be a delay in the rate of second pregnancy of teen mothers involved in the program. For example, at Terra just less than 10 per cent are pregnant for the second time – previous Terra studies indicate a rate of 22 per cent for subsequent pregnancies during the teen years.

In Region 11, an early intervention program in Whitecourt offering individual counselling and family/child collaborative sessions is reaching children and youth early, thereby reducing the need for Child Welfare Services. Client files indicate that involvement in child welfare has been reduced to 4.8 per cent and involvement with correctional services has been reduced to zero.

The Early Head Start program in Region 10 is an intensive family-centred program that provides support to families with children from newborn to age three-and-a-half living in at-risk circumstances. The program focuses on the first three-and-a-half years, as these are the most formative in a child's life. This program has also seen a decrease in the number of families having involvement with child welfare, as well as an increase in parents' knowledge and parenting skills. Children with developmental delays have been identified early and appropriate referrals made.

To contribute to the goal and the outcome, department staff are involved in the provincial work around developmental assets. Further, department staff were involved in the planning and implementation of a highly successful conference to bring Dr. Bruce Perry to Edmonton. Dr. Perry is a renowned researcher and practitioner in early brain development and best practices to promote healthy development of children and families.

CORE BUSINESS TWO

Supporting families, guardians, caregivers and individuals.

Children's Services believes that a family structure provides the best nurturing environment for a child. Based on this belief, it is a priority to preserve and empower families so children can have their needs met within a safe and stable family unit.

The ministry commits to ensuring safety through its initiatives around family violence and continued support of placement permanency for children in care.

Moreover, it places strong emphasis on early intervention to help families resolve problems at an early stage in a child's life. Children's Services has increased its support for early intervention and prevention programs throughout the province, and has established a long-term commitment to early intervention strategies.

GOAL 2.1:
REDUCE FAMILY VIOLENCE AND ADDRESS ITS IMPACT ON CHILDREN AND FAMILIES.

STRATEGIES

2.1.1

Effectively implement the Protection Against Family Violence Act.

The Protection Against Family Violence Act gives police another option when responding to a family violence call. The legislation provides the opportunity to intervene before a criminal offense has taken place. By using an Emergency Protection Order, the option removes the abuser while allowing the victim and any children to remain in the family.

2.1.2

Increase awareness to service providers and the public on the Act.

- An evaluation report on the first year of the Act was released to the public in October 2000. The report indicates that increased awareness of family violence, changes in attitude and reduced family violence behaviour were part of the Act's preliminary impact.

2.1.3

Develop and implement treatment programs for perpetrators and victims of family violence through the Child and Family Services Authorities.

- A joint committee from Justice and Children's Services has developed regulations to support the Act, and continues to hold technical meetings with the police, legal aid, court clerks and service providers to develop community protocols for the use of the Act.

2.1.4

Support Child and Family Services Authorities to expand and develop long-term programs for children who have witnessed or experienced family violence.

- A mandatory training course on the Act has been developed in cooperation with Staff Development and Office of the Prevention of Family Violence to train all Child Protection Workers prior to their assuming authority under the Act.
- An interdepartmental committee, chaired by Provincial Mental Health, completed a Provincial Family Violence Treatment program framework, which was approved by the Deputy Ministers' Committee in November 2000.

2.1.5

Provide support to activities during Family Violence Prevention Month (November).

- Family violence prevention kits were assembled and distributed.

Goal 2.1: Reduce family violence and address its impact on children and families.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:	• **Reduction in family violence** • **Reduction in the impact of family violence for all family members**
PERFORMANCE MEASURES:	• **Number of people accessing crisis services** • **Number of women admitted to shelters** • **Number of children admitted to shelters**

In the 2000-2001 Business Plan, the performance measure relating to reducing family violence and addressing its impact on children and families was listed as **"percentage of individuals reported to be living in non-violent families"**. Data collection and data quality for this measure pose significant challenges, as reluctance to self-disclosure by Albertans about their own family violence compromises accuracy of results.

Instead, some statistics relating to women's shelters were chosen as measures of family violence and its impact on children and families.

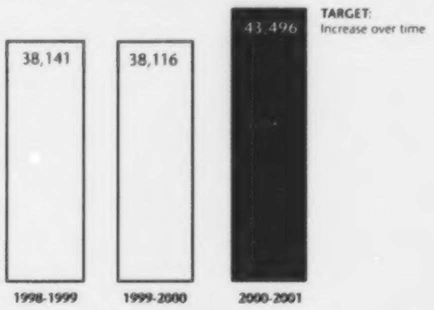
These measures are:

(1) Number of people accessing crisis services
Women's shelters have 24-hour crisis telephone lines. This measure represents the number of phone calls and in-person contacts with the shelters by persons who are not requesting admission (residential services), but need family violence support services which includes crisis intervention, information, emotional support, and referrals (e.g., police/victim services, child welfare, housing, etc.). (Note: the reported number refers to the number of non-residential crisis interventions/referrals, not unique individuals.)

(2) Number of women admitted to shelters
This number represents the number of women who were admitted to and stayed in shelters (i.e. residential services).

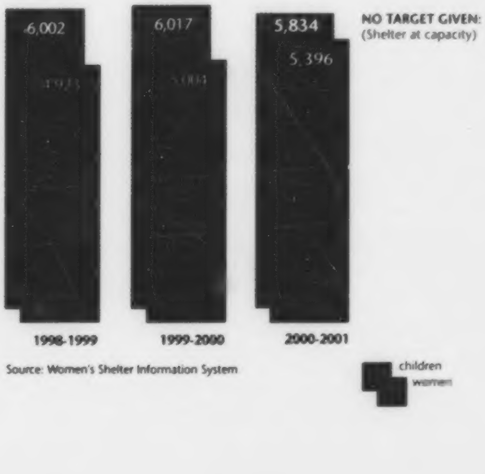
(3) Number of children admitted to shelters
This number represents the number of children who accompanied their mothers and were admitted to and stayed in shelters (i.e. residential services).

Non-residential crisis intervention/referral services



Source: Women's Shelter Information System

Women and children admitted to shelters



Source: Women's Shelter Information System

The statistics given in 1998-99 are considered the baseline data for the three measures. As such, there has been an increase from the baselines over the past two years. There is more need for family violence prevention services in the province, and so the target for the number of non-residential crisis intervention/referral services is "increase over time". It is projected that the number of admissions to women's shelters will be maintained as the length of stay and the availability of shelter spaces remain constant.

The increase in the number of people accessing non-residential services and the increase in women and families admitted to shelters may be attributable to successful public education initiatives, and to effective advocacy, outreach and follow-up work, victim support groups, spousal violence response teams, and police services in the area of family violence.

Performance Measure: Recidivism of perpetrator involved in family violence

The Ministry of Children's Services does not have a mandate in this area, but Health and Wellness has a role through the Alberta Mental Health Board to provide treatment to perpetrators. A provincial framework for treatment is under development through Alberta Health and Wellness.

GOAL 2.2: CHILDREN WILL HAVE STABILITY IN THEIR LIVES.

STRATEGIES

2.2.1

Support the Child and Family Services Authorities and First Nations Authorities in the development of strategies to improve permanency for children receiving child welfare services in Alberta.

Alberta Children's Services believes that all children need stability in their lives and deserve an opportunity to establish nurturing, life-long relationships with parents, guardians, caregivers and others. This belief stems from the fact that permanence and continuity provide a healthy foundation for children to meet ongoing challenges throughout life.

The ministry is committed to securing permanence and continuity for children involved with Child Welfare, especially the estimated 3,920 children under Permanent Guardianship. Accordingly, a number of strategies are being undertaken under the direction of the ministry Task Force on Permanency Planning.

- The Post Adoption Support program is being reviewed to consider changes that may stimulate an increase in adoptions. A website featuring special needs children is being developed, and a self-directed training program on the Internet is being explored to accelerate the approval process for prospective parents. A secure website is being developed to foster information sharing between central and regional authority staff.
- One major focus for the ministry has been to facilitate culturally appropriate adoptions for aboriginal children. This year witnessed a milestone accomplishment when nine First Nations children were adopted by aboriginal families through the partnership with Yellowhead Tribal Services Agency (YTSA). Discussions with YTSA are ongoing to enhance the Open/Custom Adoption program and possibly provide services to other First Nations in Alberta. A case review of aboriginal child files is identifying areas for improvement.
- At the national level, Children's Services is engaged in information sharing and discussions with other Provincial Directors of Child Welfare and Children's Advocates, to examine common system challenges and possible shared strategies. Children's Services is also participating in discussions with the Child Welfare League of Canada to examine the merits and feasibility of implementing the British-designed Looking After Children Case Management model, which evaluates a child's needs in their entirety.

2.2.2

Help Child and Family Services Authorities ensure all at-risk children have access to nurturing adults by developing early supports for mentoring, peer support, and extended support networks.

Children's Services is forming new partnerships to develop, enhance and expand the role of Early Intervention (EI), both at the department and community levels. It is also providing opportunities for EI practitioners to develop professionally.

- As part of the increased focus on Early Intervention, EI performance measures are being developed in consultation with CFSAs.
- Provincial/regional EI meetings were held in February 2001 and EI staff has been recruited to provide enhanced service. One EI program, The Home Visitation Initiative, has been implemented to help parents improve parenting skills and connect them with community supports.
- Dr. Bruce Perry, an expert on early intervention, was brought in to give a presentation to stakeholders.

2.2.3

Support municipalities and Family and Community Support Services (FCSS) communities to develop stable, nurturing environments for children and youth.

Currently, Alberta Children's Services provides support to 188 FCSS programs in 281 municipalities and eight Métis settlements, which deliver preventive social programs and services to Alberta residents.

- An FCSS funding allocation model review was completed, and the 2000/01 funding was allocated. A pilot project was also launched to examine FCSS measures.
- An additional $4.7 million was allocated to the 2001/02 budget, bringing the total to $42.3 million.
- Seven pilot sites volunteered to apply the FCSS performance measure logic model to their programs and projects. The pilot projects have been quite successful and should result in approximately 20 logic models being applied to FCSS programs.
- The FCSS Association Resource Bank was established. It is coordinating consultation among FCSS programs, assisting them in organizing FCSS training opportunities, and compiling and distributing resource information.

Goal 2.2: Children will have stability in their lives.

OUTCOMES & PERFORMANCE MEASURES

OUTCOME: **Children in care have ongoing, nurturing relationships with adults**

PERFORMANCE MEASURE: **Percentage of children in care who are adopted or in long-term stable living arrangements**

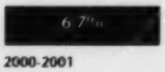
An outcome for the ministry is that children in care have on-going, nurturing relationships with adults. This is critical to children having stability in their lives.

The 2000-03 Business Plan identified "**proportion of children under guardianship who are adopted or in long-term family arrangements**". To operationalize this measure, the ministry is reporting the percentage of children in care who are adopted or in long-term stable living arrangements. This measure has three components:

(a) Percentage of children newborn to age 11 under permanent guardianship who are adopted during 2000-01. Children in this age group have the greatest capacity to form new attachments. Since children newborn to age 11 have the highest potential for successful adoption, the ministry would like to increase the number of children in this age group who are adopted.

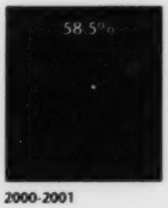
(b) Percentage of children in 2000-01 who exited foster care, group care, and residential care by either return to parental care, placement with significant other, placement with extended family, placement in independent living, or placement in supported independent living. Such occurrences are likely to contribute to greater stability in living arrangements.

Children, newborn to age 11, under permanent guardianship who were adopted



Source: Child Welfare Information System

Children who exited foster care, group care and residential care by either return to parental care, placement with significant other, with extended family, independent living or supported independent living

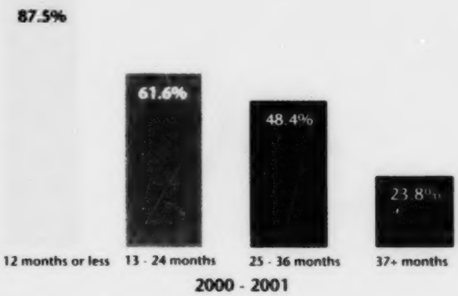


Source: Child Welfare Information System

(c) Of children in care whose file closed in 2000-01, the percentage of children who had no more than three placements while the case was open. (Four categories of cases: cases open for 12 months or less, 13 to 24 months, 25 to 36 months, 37+ months). Three placements are usually the minimum number occurring in a child welfare case.

As these are all new measures, the 2000/01 results establish baselines for comparison with future results.

Children who had no more than three placements while the case was open



Source: Child Welfare Information System

Supporting healthy communities.

Families should be able to rely on their community to help them provide a nurturing and supportive environment to their children. Children's Services is committed to empowering communities by helping them establish integrated, community-based services.

The ministry adopted a systematic approach focused on developing and improving the quality of community-based children's programs. The approach supports regions and municipalities in developing community governance best practices, and provides them with the expertise needed for effective program design and delivery.

Within this approach, the ministry has given particular attention to the aboriginal communities. Many of the initiatives strengthen the capacity of First Nation and Métis agencies to provide services to aboriginal children.

GOAL 3.1:
COMMUNITIES ARE ABLE TO PLAN, DESIGN AND DELIVER SERVICES APPROPRIATE TO THEIR CHILDREN AND FAMILIES.

STRATEGIES

3.1.1

Support the Child and Family Services Authorities (CFSAs) to work with community partners to plan and deliver services for children and families.

A new Community Support unit is helping boards and CEOs enhance governance, management, and community development processes and skills. The aim is to enhance the role of the authorities in developing a community's ability to respond effectively to the needs of children and families.

- Workshops/planning sessions and consultations were conducted with several CFSA boards and CEOs to develop processes and skills for linking with community and other stakeholders. Staff from various divisions within the ministry participated in planning sessions to identify ways to support the CFSAs.
- An organization learning manual was developed for CFSA boards to engage community. Training was provided to CFSA boards and CEOs on using the manual.
- The first of a series of self-managed learning modules was developed for CFSA boards. This module dealt with governance functions and competencies. Test-site training was provided to staff in community development centres throughout Diamond Willow CFSA. Training to the other CFSAs will follow.

3.1.2

Support municipal community programming through Family and Community Support Services, by assisting with local needs assessment program development and local governance processes.

Alberta Children's Services provides support and advice to municipalities, Métis settlements, and Family and Community Support Services (FCSS) programs, to assist them in their local needs assessment, program design and delivery, and local government processes.

- Procedures have been developed to conduct FCSS program reviews throughout the province. The first Program Review occurred in October 2000 and was piloted in the town of Bruderheim. Several items were discussed and reviewed, including: FCSS Program financial statements, FCSS Program Report, grandfathering provision, and pros and cons of forming a joint FCSS program with neighbouring municipalities.
- Ministry staff deliver public presentations with respect to the FCSS and operation of FCSS programs to municipalities, Métis settlements, and at regional and provincial workshops and conferences. Material designed to inform participating programs, such as the FCSS program handbook, are updated and distributed on a regular basis.
- A database is being developed to provide a broad range of FCSS information to municipalities, Métis settlements and the ministry. As well, a Program Advice Inventory listing has been prepared to aid municipalities and Métis settlements with needs assessments, assessing program eligibility and program development.
- Nine municipalities joined the FCSS program in 2000/01, and discussions are ongoing with other non-participating city and municipal district councils interested in joining the FCSS program.

Goal 3.1: Communities are able to plan, design and deliver services appropriate to their children and families.

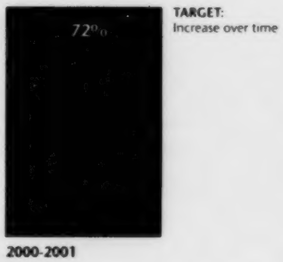
OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:

- **Community members are active participants in decisions related to the identification of needs and provision of supports to children and families**
- **Alberta's communities strengthen their abilities to respond to the needs of their children and families**

PERFORMANCE MEASURE: **Percentage of community partners surveyed who confirmed opportunities were provided for participation**

A key outcome for the ministry is that community members are active participants in decisions related to the identification of needs and provision of supports to children and families. To operationalize this measure, the wording has been changed from "members" to "community partners", which are service providers and stakeholders. (Service providers are agencies under contract to the CFSAs to deliver services to children, youth and families. Community stakeholders are organizations that deal with children, such as school boards and health authorities.) Community partners were surveyed to assess their opportunity for participation in CFSA planning.



Degree of satisfaction with opportunities to participate in CFSA planning to meet community needs

Source: Community Partners Survey, May 2001[1]

The result reported is in response to the question, "The CFSA provides your organization with opportunities to participate in CFSA planning to meet community needs (i.e., what services are delivered in your region?)". The responses "somewhat satisfied" and "very satisfied" have been combined.

This was the first year data for this measure was collected. As such it will be considered baseline data for future measurement. The target is to increase, over time, the degree of satisfaction reported by community partners for this measure.

PERFORMANCE MEASURE: **Percentage of users of selected children's services reporting overall satisfaction with services they receive**

Provincial surveys were conducted for three programs in 2000-2001: Handicapped Children's Services, Adoption, and Foster Care. The surveys were conducted at the provincial level in cooperation with the Child and Family Service Authorities. The outcome "Ministry services are effective in meeting the needs of children, youth, families and individuals" (refer to Goal 5.1, page 58) was measured by the "percentage of users of selected children's services reporting overall satisfaction with services they receive".

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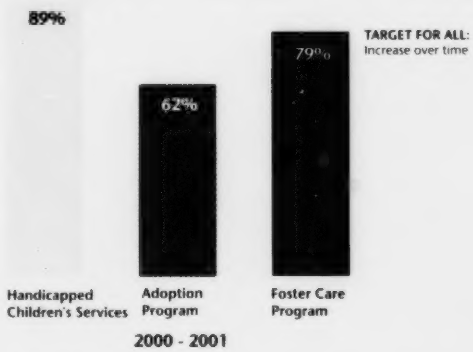
[1] For Methodology see page 116 in Appendix

(1) Handicapped Children's Services Survey[1]

The result reported is in response to the question, "Overall, how satisfied are you with Handicapped Children's Services?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Handicapped Children's Services program was 89 per cent.

2) Adoption Program Survey[2]

The result reported is in response to the question, "Overall, how satisfied are you with the Ministry of Children's Services' adoption process?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Adoption program was 62 per cent.



Users of selected Children's Services reporting overall satisfaction with the services they receive

Source: Client Sastisfaction Survey for Handicapped Children Services, Adoption, and Foster Care Program, May 2001

3) Foster Care Program Survey[3]

The result reported is in response to the question, "Overall, how satisfied are you with the services of the Foster Care program?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Foster Care program was 79 per cent.

Overall satisfaction data for the Adoptions program and for Foster Care were collected for the first time in the year 2000-01. The data represents a baseline for comparison in future years. The target for these measures is to increase satisfaction levels over time.

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[1] For Methodology see page 116 in Appendix
[2] For Methodology see page 116 in Appendix
[3] For Methodology see page 116 in Appendix

GOAL 3.2:

ABORIGINAL PEOPLE PLAN, DESIGN, IMPLEMENT, MONITOR AND EVALUATE SERVICES IN CONSULTATION WITH THEIR COMMUNITIES.

STRATEGIES

3.2.1

Facilitate collaboration and partnership between the ministry and aboriginal communities and organizations.

The First Nations Liaison Unit has provided operational, human resource management and governance support to First Nation child welfare-delegated agency directors and boards.

- Children's Services continues to support First Nations agencies in providing child welfare services on-reserve. Among these achievements was supporting 26 Early Intervention programs serving 19 First Nations agencies, and providing funding to Native Counselling Services of Alberta to deliver the family court worker program, which provides support to aboriginals dealing with family court. In collaboration with Treaty 7 agencies, the ministry also jointly developed a culturally sensitive program evaluation.
- The ministry supported the design and implementation of the Open Custom Adoption and Custom Care programs of the Yellowhead Tribal Services Agency. Permanency plans are in progress with respect to Bigstone Cree Nation member children - those in care with permanent guardianship status in the Ma'mowe Child and Family Services region. In support of new models promoting self-reliance, Children's Services is leading in the negotiation of a comprehensive agreement with the Blood Tribe for a Blood Tribe Child Welfare Act.
- Under the ministry's leadership, First Nations' agency managers have completed the Child Protective Services (CPS) training. Two days' training on Critical Incident & Stress Debriefing Management was also conducted with Treaty 7 delegated agencies, and a training module will be developed.
- The ministry negotiated the first off-reserve child welfare agreement, which was signed by the Premier of Alberta and the Chief of the Siksika First Nation.

3.2.2

Support joint ventures and initiatives that forge links and relationships with appropriate community partners.

Over the past year, the focus of this strategy has been on supporting aboriginal communities in forming strategic partnerships.

- The ministry supported the First Nations and Métis Relations Branch in organizing five consultation sessions throughout Alberta, which provided community input on the development of the First Nations and Métis Relations Operational Plan 2000-2001. Participants included Treaty 6, 7 and 8 Métis settlements, the Métis Nation of Alberta Association, and Child and Family Services Authorities.
- In response to an invitation from Treaty 6, 7 and 8 Métis settlements, the ministry participated in a workshop with federal government representatives to identify services to aboriginal children and families on-reserve, and to begin planning next steps for the Federal Aboriginal Early Childhood Development Initiative.

3.2.3

In partnership with First Nations' delegated agencies, jointly develop a set of core performance measures to monitor system effectiveness and accountability.

This initiative is a response to the increase in services delivered by First Nations agencies.

- The ministry has expanded the membership of both the CFSA and Ministry Performance Committee to include aboriginal representatives. These committees will provide technical support to delegated First Nations' agencies as required.
- A background discussion paper has been prepared that recommends short- and long-term strategies to enhance the accountability of delegated First Nations' agencies. The strategy is based on a partnership- and capacity-building approach, and will lead to the development of performance measures.

3.2.4

Support the aspirations of aboriginal communities and organizations in their strategic planning and process with respect to child and family matters.

Children's Services is committed to building and maintaining working relationships with First Nations and Métis organizations and communities. In 1999-2000, the ministry identified these priority action plans: building and maintaining working relationships with First Nations and Métis communities; supporting the Aboriginal Pillar, First Nations' delegated agencies and Alberta/Métis Framework Agreement Social Services Sector activities; and ensuring that the aboriginal voice is heard in the ministry.

- In supporting the transfer of provincial programs and services to Métis and First Nations communities, the ministry is jointly developing strategies that promote community-based delivery of children's services.
- Consultation was held with First Nations Child Welfare agencies, Treaty 6, 7 and 8, Métis settlements, Métis Nation of Alberta Association, and the Child and Family Services Authorities, to learn how to best strengthen and improve working relationships.

3.2.5

Work with aboriginal communities to jointly develop community support systems for aboriginal children and families.

Children's Services is actively involved in building effective and collaborative plans of action with aboriginal peoples, including First Nations, Métis Nation of Alberta, Métis Settlements General Council, and urban aboriginal groups.

- Children's Services is providing ongoing support to delegated aboriginal agencies. It is engaged in discussions with Bigstone Cree Nation related to the Back to Home and Emergency Foster Home initiatives, and is helping Native Counselling Services of Alberta implement the Family Court Worker program. In addition, it is participating in discussions with the Métis Nation of Alberta Association Social Services Sector Advisor regarding business planning and potential legislation specific to Métis children. Negotiations are also ongoing with First Nations for the pre- and post-administrative reform arrangements.
- Support is provided to the CFSAs in their work with aboriginal communities to develop community support systems for aboriginal children and families. Included in this work is an ongoing dialogue with Treaty 8 Child and Family Services and Ma'mowe Child and Family Services to discuss permanency planning for aboriginal children in care living off-reserve.

3.2.6

Continue to work on strategies in support of the Métis Nation Framework Agreement.

Children's Services is committed to developing and implementing joint strategies that support the Alberta/Métis Framework Agreement, which aims at promoting the advancement of the Métis people and helping them preserve their identity and cultural heritage.

- The Métis/Alberta Children's Services Strategic Planning Team has been established to implement an effective process for meaningful participation of Métis people in decisions that affect their children and families. This includes the review, development and effective utilization of relevant ministry programs, initiatives, resources, policies, and legislation.
- The team provided advice and feedback into the background paper, "Métis Child in the Alberta Child Welfare Legislation," as well as recommendations on the legislative process.
- Children's Services led the Child Welfare Information System (CWIS) Métis project, intended to better define and report "Métis child" in the CWIS system. It also attended the provincial Métis Nation of Alberta Association Annual Assembly.

Goal 3.2: Aboriginal people plan, design, implement, monitor and evaluate services in consultation with their communities.

OUTCOMES & PERFORMANCE MEASURES

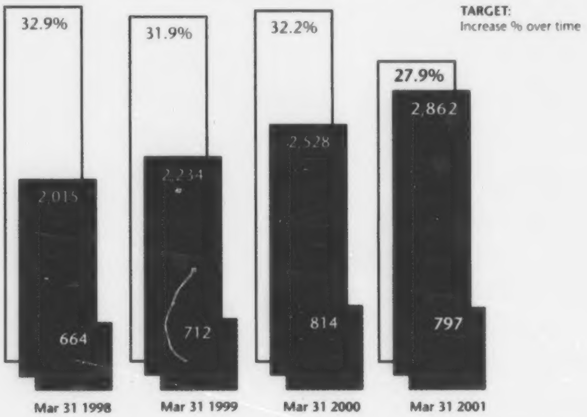
OUTCOME: **Aboriginal children and families receive early supports through accountable, high-quality services**

PERFORMANCE MEASURE: **Percentage of aboriginal children receiving services from aboriginal foster homes.**

A goal of the ministry is that Aboriginal people plan, design, implement, monitor and evaluate services in consultation with their communities. An outcome of this goal is that Aboriginal children and families receive early supports through accountable, high quality services. A measure of this goal and outcome is that Aboriginal children receive services from Aboriginal service providers. In order to operationalize and add clarity to this measure, the wording of the measure was changed from "Aboriginal service providers" to "Aboriginal foster homes".

As of March 31, 2001, the number of Aboriginal children in foster homes increased by 334 over March 2000. However, the number of Aboriginal children receiving foster care from Aboriginal service providers decreased by 17 during the same period. The percentage of Aboriginal children receiving foster care from Aboriginal homes decreased by four per cent during the same period. This can be attributed to the number of Aboriginal children needing foster homes increasing at a more rapid rate than the number of Aboriginal foster homes being recruited.

Aboriginal children receiving foster care from Aboriginal homes



NOTE: Data on the number of Aboriginal children in Aboriginal foster homes for March 2001 has been generated using an improved data processing method. The numbers for the previous three years have been adjusted accordingly.

Source: Child Welfare Information System

Promoting advocacy for children, youth, and those at risk.

Children's Services is committed to ensuring children and youth participate in decisions affecting their lives. The Youth Secretariat and Children's Advocate provide a formal structure for identifying issues and protecting youth and children's rights.

New initiatives are giving children and youth more voice, and Youth and Children's Forums have been established throughout the province to deal with various health and social issues.

Through the new Great Kids Awards, the ministry is providing proper recognition to children with exemplary contributions to their family and community.

GOAL 4.1: CHILDREN AND YOUTH HAVE A VOICE IN DECISIONS AFFECTING THEM.

STRATEGIES

4.1.1

Complete a review of the Office of the Children's Advocate to ensure it optimizes delivery of children's services throughout the province.

On Oct 21, 1999, the Children's Services' minister announced an independent review of the Children's Advocate Office to address its current and potential contribution, and to make recommendations related to its scope and mandate. The goal of the review was to uncover the best means of protecting the interests of children and youth at risk, including those involved with Child Protection or other government departments.

- The review of the Office of the Children's Advocate was based on consultation with a wide range of stakeholders. It examined current advocacy in Alberta, advocacy processes in other jurisdictions, and the potential role of community advocacy. The report suggests the Office should support individual and community advocacy for children and an expansion of the role of the Advocate.
- The ministries of Children's Services and Justice formed a partnership to discuss how the deaths of children could best be investigated and reviewed in a manner that is timely, open and multidisciplinary in scope.

4.1.2

Through the Youth Secretariat, provide a mechanism through which issues affecting youth (13 to 21 years of age) can be identified and addressed.

This initiative is similar to Strategy 1.1., which was reported on earlier. In addition to the goals completed in Section 1.1.3, the Youth Secretariat engaged in a number of initiatives to increase awareness and focus on youth issues with key internal and external stakeholders, including the seven Regional Youth Forums. In addition, the Secretariat has participated in a number of inter-governmental collaborations to create service improvements for Alberta's youth.

Goal 4.1: Children and youth have a voice in decisions affecting them.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:

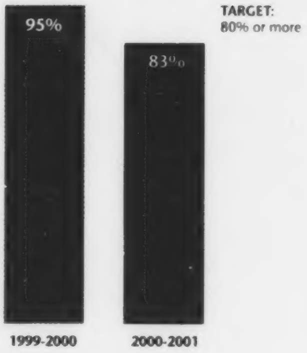
- Children and youth have knowledge of role and access to services provided by the Children's Advocate
- Improved services for children and youth

PERFORMANCE MEASURE: Percentage of children and youth expressing satisfaction with advocacy provided by the Children's Advocate

The Children's Advocate represents the rights, interests, and viewpoints of young people receiving child welfare services. They also investigate complaints regarding the adequacy of those services, and advise the minister regarding the provision of those services. The Children's Advocate plays a key role in ensuring children and youth have a voice in decisions affecting them.

Client exit surveys administered by the Office of the Children's Advocate provide a measure of client satisfaction. The result reported below is based on the response to the question, "How would you rate your overall experience with the Children's Advocate office?"

Children and youth expressing satisfaction with advocacy provided by the Children's Advocate



Source: Children's Advocate Survey [1]

METHODS: "Exit surveys" refer to children who were: provided with comprehensive Children's Advocate services, 12 years of age or older, literate/capable of responding, and could be located. Those children under 12 years of age, incapable of answering the survey or not located were not included.

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[1] For Methodology see page 116 in Appendix

GOAL 4.2:
INCREASE PUBLIC UNDERSTANDING AND KNOWLEDGE OF ISSUES AFFECTING CHILDREN AND FAMILIES.

STRATEGIES

4.2.1

Participate in the National Children's Agenda to help develop a national, long-term vision for children and to coordinate activities, facilitate decision-making, and report on outcomes.

Children's Services is participating in the National Children's Agenda, the overarching framework for cooperation between the federal, provincial and territorial governments on the renewal of Canada's social programs.

- The National Children's Agenda launched a vision paper entitled "Developing a Shared Vision" and a supplementary discussion paper on "Measuring Child Well-being and Monitoring Progress" in 1999. These reports were used as the basis for a series of public consultations across the country, which culminated in the release of the "Public Dialogue on the National Children's Agenda: Developing a Shared Vision" in the year 2000.
- Alberta hosted one of the five regional roundtables to gather public input for the Public Dialogue report. The Ministry of Children's Services provided significant input toward the report's content development.

4.2.2

Support regular provincial forums and public discussion to work towards the well-being of children and families.

In October 1999, Children's Services hosted 1,400 Albertans to the first ever Children's Forum, "First Circle-Uniting for Children," in Edmonton. The forum was an opportunity for adults and youth to provide their views and recommendations on programs for children. Over 140 recommendations were made, one of them calling for more meaningful youth involvement in provincial government and forums.

- In response to this recommendation, Children's Services developed six regional and one provincial aboriginal "Your Choice Your Voice" Youth Forums as an avenue for youth across Alberta to discuss their issues and come up with concrete action plans to implement in their communities. The forums hosted over 1000 youth and were held during November 2000 across the province. They dealt with issues such as sexual health, mental health, substance abuse, violence, apathy and racism.
- A Youth Forums Report summarized all the action plans and brainstorming that youth participated in at the forums. The report will feed into the development of the Children's Forum Agenda. The ministry also developed a technology platform to keep the youth delegates connected, including a government website and e-mail listserve. The next Youth Forums are planned for November of 2002, while the second "Uniting for Children" Children's Forum takes place in Calgary in October 2001.
- Children's Services launched and designed the 2000 and 2001 Great Kids Award Campaign to honour children with exceptional contributions to their family and community. Sixteen children receive the award during a ceremony held each year in February. In addition, the ministry continues to support The Raves Initiative, which addresses the safety of youth and children through rave committees across the province.
- In April 2000, the first provincial Student Health Forum brought together representatives from all partnerships across Alberta to support improved planning and delivery of services for students with special needs.

Goal 4.2:

Increase public understanding and knowledge of issues affecting children and families.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:	**Albertans have increased understanding and knowledge of issues affecting children and families**
PERFORMANCE MEASURE:	**Participation in community consultation and provincial forums related to children and families.**

This measure is not being reported. To better measure the outcome "Increased understanding and knowledge of issues affecting children, youth and families", the 2001-02 Annual Report will measure "Percentage of respondents to a public awareness survey who indicate that they are aware of issues facing children and youth, and activities undertaken by the Ministry and its partners to address these issues." It should be noted that a Community Partners Survey regarding their participation and involvement in local CFSA governance and decision making was conducted in May 2001. The results of the survey are included in this report (refer to pages 44, 60 and 66).

Supporting high-quality, accountable services.

Establishing accountability standards is a priority for Children's Services, and considerable effort has been made to ensure that performance measurement processes are in place. This includes incorporating stakeholder and client input into decision-making, developing performance measures for the ministry's business goals, and monitoring and evaluating programs.

Children's Services recognizes that accountability is ultimately manifested in the quality of service delivery. It continues to invest in its human resource capital through training and professional development for ministry and CFSA staff of all levels. Moreover, the ministry has been very active in building a service base that responds effectively to children's multiple needs, by helping to develop integrated, community-based services.

GOAL 5.1:
IMPROVE EFFECTIVENESS OF MINISTRY SERVICES BY MEASURING OUTCOMES AND LISTENING TO THOSE RECEIVING SERVICES.

STRATEGIES

5.1.1

Develop and implement a satisfaction survey relevant to both service users and stakeholders.

Conducting client and stakeholder satisfaction surveys is essential, as it provides data that supports performance measurement.

- For the 2000-01 year, client surveying was expanded to serve both the ministry and the Child and Family Services Authorities. Surveys were coordinated through a Client Satisfaction Steering committee that had representation from the ministry and five CFSAs. The surveying approach was an efficient process that is useful for meeting the needs of both the ministry and the CFSAs.
- Surveys were conducted of clients of the Adoption, Foster Care and Handicapped Children's Services programs, as well as of community partners on their relationship with the Child and Family Services Authorities.
- From March through November 2000 an evaluator surveyed partners, service providers, teachers and parents regarding the implementation and the initial effectiveness of the Student Health Initiative.
- Survey data was collected for shared core performance measures - measures that can be reported on in both the Ministry and CFSA Annual Reports. Survey data provided useful feedback on a range of service delivery categories.

5.1.2

Develop a set of core performance measures to monitor system effectiveness and accountability.

Children's Services is enhancing accountability within the ministry by developing a set of core performance measures that are linked to business goals and expected results.

- Alberta Children's Services is striving to develop a set of consistent performance measures focused on outcomes for children, youth and families. Two performance management committees have been established: the Ministry Performance Management Committee takes a lead role in developing performance measures for the Ministry Business Plan, whereas the CFSA Performance Management Committee assists in developing meaningful and effective measures for CFSAs.
- A major accomplishment of these committees in 2000-01 was the development of logic models linked to core programs and the goals of the ministry. This has led to an increased focus on the outcomes that the ministry wants to achieve and performance measures associated with those outcomes.

Goal 5.1: Improve effectiveness of ministry services by measuring outcomes and listening to those receiving services.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:	**Ministry services are effective in meeting the needs of children, youth, families and individuals.**
PERFORMANCE MEASURE:	**Percentage of users of selected children's services reported overall satisfaction with services they receive.**

Provincial surveys were conducted for three programs in 2000-2001: Handicapped Children's Services, Adoption, and Foster Care. The surveys were conducted at the provincial level in cooperation with the Child and Family Services Authorities. The outcome "Ministry services are effective in meeting the needs of children, youth, families and individuals" was measured by the "percentage of users of selected children's services reporting overall satisfaction with services they receive".

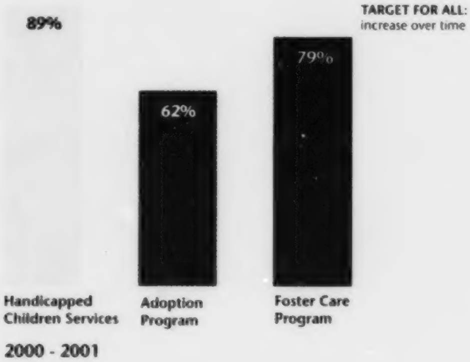
(1) Handicapped Children's Services Survey[1]

The result reported is in response to the question, "Overall, how satisfied are you with Handicapped Children's Services?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Handicapped Children's Services program was 89 per cent.

2) Adoption Program Survey[2]

The result reported is in response to the question, "Overall, how satisfied are you with the Ministry of Children's Services' adoption process?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Adoption program was 62 per cent.

Users of selected Children's Services reporting overall satisfaction with the services they receive



Source: Client Satisfaction Surveys for Handicapped Children's Services, Adoption, and Foster Care Program, May 2001.

3) Foster Care Program Survey[3]

The result reported is in response to the question, "Overall, how satisfied are you with the services of the Foster Care program?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Foster Care program was 79 per cent.

Overall satisfaction results for the Adoptions program and for Foster Care were collected for the first time in the year 2000-01. The data represents a baseline for comparison in future years. The target for these measures is to increase satisfaction levels over time.

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[1] For Methodology see page 116 in Appendix
[2] For Methodology see page 116 in Appendix
[3] For Methodology see page 116 in Appendix

GOAL 5.2:
INCREASE THE INVOLVEMENT OF INDIVIDUALS RECEIVING SERVICES AND COMMUNITY PARTNERS IN DECISIONS THAT AFFECT THEM.

STRATEGIES

5.2.1

Establish mechanisms to ensure that partners and those receiving services have the opportunities, supports and information they need to participate in ministry decision-making.

Children's Services has been involved in a number of strategic partnerships to ensure that research and information services support ministry priorities.

- The ministry has been very active in entering partnerships that promote quality research on children and families. It has taken the lead in developing a proposal calling for the establishment of an Alberta Centre for Child, Family and Community Research. Children's Services is participating in the Community-University Partnership for the Study of Young Children, Youth and Families, which is aimed at promoting collaborative applied research on children and designing dissemination strategies for information on best practices. The ministry was also involved in planning the local Early Years Conference slated for Spring 2001.
- Children's Services participates on the HOMES-Muttart Research Project Committee. The project goal is to develop and maintain an outcome data collection and reporting system. HOMES, the Hull Outcome Monitoring and Evaluation System, collects and reports on the data.
- Children's Services is involved in a number of research initiatives supporting best practices. It is part of the Mentor Practicum pilot project addressing how well social work students are being prepared for practice in Child Welfare, and how well organizational settings, such as Ma'mowe Capital CFSA, are supporting good practice. In addition, the ministry is developing a research paper on Quality and Best Practices in Child Care in consultation with staff involved in planning and delivery of provincial child care services.
- The ministry is a member of the Canadian Autism Intervention Research Network, which is working to identify research priorities related to the implementation of effective early intervention for children and families with autism. On the provincial front, Children's Services collaborated with partnering ministries to obtain research from the Health Technology Assessment Unit of the Alberta Heritage Foundation for Medical Research. The research is focused on intensive behavioural interventions for children with autism and conductive education techniques for children with cerebral palsy.
- All CFSA board members were brought together for the first time in a series of spring meetings to examine the CFSA method of program and service delivery. The sessions included a discussion with the Auditor General on the CFSAs' role and relationship with the ministry. The meetings resulted in the development of a joint work plan to collaboratively address the identified issues and opportunities.
- Based on the ministry's request, all CFSAs and representatives of FCSS regions met in December 2000 to discuss better ways of working together, and a possible local method of partnership around Early Childhood Development funding. Additional opportunities for partnerships were further addressed in follow-up meetings.

Goal 5.2: Increase the involvement of individuals receiving services and community partners of the Ministry in decisions that affect them.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES: **Clients and community partners participate and influence Ministry decision-making**

PERFORMANCE MEASURE: **Community partners reporting satisfaction with opportunities for participation in local decision-making.**

An outcome for the ministry is that clients and community partners participate in and influence decision making. This measure focuses on input, at the regional Child and Family Services Authority level by community partners, into local programs and services. As such, the wording of the measure was changed from **"Community partners reporting satisfaction with opportunities for participation in ministry decision making"**. Community partners, which are service providers and stakeholders, were surveyed to assess their opportunity for participation in service delivery decision-making. (Service providers are agencies/individuals under contract to the CFSAs to deliver services to children, youth and families. Community stakeholders are organizations that deal with children, such as school boards and health authorities.)

Community partners reporting satisfaction with opportunities for participation in local decision making

TARGET:
Increase over time

Source: Community Partners Survey, May 2001[1]

The result reported is in response to the question, "The CFSA provides your organization with opportunities for participation in service delivery decision-making at the local level (i.e., how services are delivered in your region?)".

The response categories "somewhat satisfied" and "very satisfied" have been combined, for a satisfaction level of 66 per cent. This is the first year this data has been collected, and therefore represents baseline data. The target for this measure is to increase the degree of satisfaction over time.

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[1] For Methodology see page 116 in Appendix

GOAL 5.3:
PROVIDE EFFECTIVE FINANCIAL AND INFORMATION TECHNOLOGY, HUMAN RESOURCE DEVELOPMENT AND KNOWLEDGE MANAGEMENT.

STRATEGIES

5.3.1

Work in partnership with the Child and Family Services Authorities to develop and implement a ministry Information Technology Strategic Plan.

The purpose of the initiative is to design an Information Technology Strategic and Operational Plan that is aligned with the ministry's Strategic and Operational Plans and Chief Information Officer's Alberta Government Strategy.

- Strategic and Operational Information Technology Plans were developed with stakeholders and service enhancements improved service delivery. A redesign of financial management was initiated, and cost-expenditure reports are being rolled out at the CFSA level.
- A new Intranet system was designed to support the Children's Financial Support Program, the PChIP Program and the Children's Special Allowance Program. Alberta Children's Services has implemented two corporate initiatives: AGENT, which provides web access to employee information; and ARTS, a web-based Government of Alberta action request tracking system.
- Extensive IT work and hardware/software purchases enable new site set-up and site expansions, as well as Intranet, Extranet and Internet development.

5.3.2

Work in partnership with Child and Family Services Authorities to develop a Human Resources Development Strategy.

The purpose of this initiative is to provide the ministry of Children's Services with a multi-year Human Resources plan and annual strategies to help enhance its management.

- The ministry's first Human Resources plan was developed for submission to the Public Services Commissioner in December 2000.
- A Human Resources Management Steering Committee has been established to ensure ministry-wide input in developing the strategic direction for HR services. Children's Services also submitted its first report on achievement related to the Corporate Human Resources plan.

5.3.3

Support the recruitment and retention of Aboriginal staff, including those in decision-making and front-line roles.

Children's Services has made a strong commitment to increase aboriginal representation in all staffing levels and roles within the ministry.

- The Aboriginal Recruitment and Retention Steering Committee (ARRSC), originally formed within Alberta Family and Social Services, was re-established with strong Aboriginal Board, CEO and staff representation.
- The ARRSC has developed its goals and priorities and is currently developing action plans that address them.

5.3.4

Work in partnership with Child and Family Services Authorities and Alberta Corporate Service Centre (ACSC) to create effective shared services and ensure the services are meeting the needs of the community delivery system.

The ministry's library services were transferred to The Alberta Corporate Services Centre (ACSC) in June 2000.

- Children's Services staff worked with ACSC to develop benchmarks for library services, finance, human resources, accommodations, information technology and administrative services. Detailed roles and responsibilities of the ministry, ACSC, and cross-government (corporate) roles have been drafted.
- Staff were actively involved with working groups and the Business Process Reengineering (BPR) administration team to collect data, identify and assess current services, and to develop cost-effective, efficient target state processes. The ACSC will play a key role in supporting the ministry and its partners with their requests for research and learning materials.

Goal 5.3: Ensure effective human resource, financial and information technology and knowledge management.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES· **Supports and services are provided to children and families by skilled and knowledgeable staff and service providers**

PERFORMANCE MEASURE: **Percentage of front-line staff with more than one year of experience**

An outcome for the ministry is that supports and services are provided to children and families by skilled and knowledgeable staff and service providers. The experience of front-line staff, the employees with direct involvement in children's care, is an indicator of the extent to which this outcome is being achieved.

Front-line staff are defined as professional staff located in the Child and Family Services Authorities. Specifically, they include Child Welfare program supervisors, social workers, social worker technicians, regional welfare administrators, case work supervisors, nurses, nurse counselors, recreational therapists and psychologists.

Front-line staff with greater than one year of experience

TARGET: 81%

The target for 2000-01 was that 81 per cent of front-line staff would have greater than one year of experience.

The target was successfully met

Source: Integrated Management Information System (IMAGIS)

Performance Measure: **Percentage of staff providing services to children and families who are aboriginal**

Data collection and data quality for this measure pose significant challenges. Information systems of the ministry do not capture data on the ethnic origin of staff.

Performance Measure: **Service user satisfaction with shared services provided**

Shared services are provided to all Alberta Government ministries by the Alberta Corporate Services Center (ACSC). Services they provide include Finance and Administration, Human Resource Services, Communications, Corporate Services, Legal Services and Information Technology. The ACSC was initiated through Executive Council and is the responsibility of the Ministry of Government Services. Service user satisfaction, and accuracy and quality of information provided by shared services, are more appropriately measures belonging to the Ministry of Government Services. As such, these measures will not be reported on by Children's Services.

Performance Measure: **Accuracy and quality of information provided by shared services**

See preceding explanation under the performance measure "Service user satisfaction with shared services provided."

GOAL 5.4: ENSURE EFFECTIVE AND EFFICIENT BOARD GOVERNANCE.

STRATEGIES

5.4.1

Support the recruitment and development of Child and Family Services Authorities board members.

This initiative ensures that the CFSA boards have their full complement in both aboriginal and non-aboriginal seats of the board.

- The current board appointments expire in May 2001, and reappointment has been approved with 25 board members in seven CFSAs.

5.4.2

Develop and implement training and support packages for board members.

Like Strategy 3.1.1, this initiative is intended as a long-term strategy for providing orientation, organization development and training for CFSA boards. The goal is to bring the boards into the role of governance by helping them adopt accepted governance practices and develop the confidence and skill to implement them.

- Workshops were conducted in areas such as strategic planning, managing change, board roles and responsibilities, and effective committees. In addition, one-on-one coaching has been provided to co-chairs and CEOs on governance and management practices.
- A diagnostic learning manual was developed and piloted that enables boards to assess key governance functions for processes and required competencies. In addition, the ministry directly assisted several boards and CEOs in learning how to design and conduct board and CEO performance assessments, using these processes as developmental opportunities.
- Children's Services coordinated a case study of Region 13 board that was conducted by the Institute on Governance. The research process provided insights and recommendations to the board on improving governance capabilities, which were also applicable to other CFSA boards.

5.4.3

Develop Business Plan and Annual Report requirements.

Under the Government Accountability Act, every ministry is required to prepare a three-year business plan and an annual report. This requires that certain guidelines be in place on the structure and format of these documents, to ensure consistency in the input provided by ministry and stakeholders. In addition, the initiative aims at developing guidelines for the CFSA business plans and annual reports.

- Guidelines were developed for the preparation of the ministry annual report, the CFSA's 2000-2003 business plans as well as their 1999-2000 annual reports.

5.4.4

Work in partnership to monitor and evaluate services at all levels.

To support the transition of service delivery to the CFSAs, the Provincial Accountability Framework for Child and Family Services Authorities was developed by Children's Services in 1998 and tabled in the Legislature. Since then, much has been learned and the ministry has made substantial progress towards meeting its accountability requirements.

- As part of the review of the Accountability Framework, the Provincial Standards were revised. This resulted in a new "Safety Standards for Services to Children and Families" that identified 19 safety standards for delivery of services across the province. The standards were approved by the minister, and the CFSAs will be held accountable for them effective April 1, 2001.
- The CFSAs and the department are working on an initiative to assist CFSAs in developing data collection and reporting mechanisms for the standards. Draft data collection tools have been developed, and plans are under way to pilot the tools in Ma'mowe, Calgary Rocky View, and West Yellowhead authorities, prior to making recommendations to the remaining CFSAs.

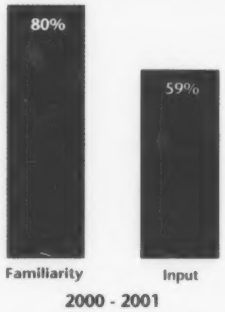
Goal 5.4: Ensure effective and efficient board governance.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES:	**Each Child and Family Services Authority has a board which is able to provide strong leadership in the development of programs and services**
PERFORMANCE MEASURE:	**Percentage of community partners surveyed who report familiarity with their CFSA Business Plan and report that they had input into the development of their CFSA Business Plan**

Effective and efficient board governance provides opportunities for input from community partners into the business planning process. The 2000-2001 Business Plan identified **"business plans and annual reports which show evidence of implementation of ministry mission and goals"** as a performance measure of effective and efficient board governance. To operationalize this measure, the ministry is reporting the percentage of community partners surveyed who report familiarity with their CFSA business plan and had input into its development.

Community partners surveyed who reported familiarity with their CFSA Business Plan and reported that they had input into development of their CFSA Business Plan



Source: Community Partners Survey, May 2001[1]

Community partners are defined as service providers and stakeholders. (Service providers are agencies/ individuals under contract to the CFSAs to deliver services to children, youth and families. Community stakeholders are organizations that deal with children, such as school boards and health authorities.) Familiarity with the CFSA business plan by community partners demonstrates the board's success in communicating the plan.

Community partners were surveyed to assess agreement about their familiarity with, and input into, their CFSA Business Plan.

The results reported are in response to the questions "I am familiar with the CFSA Business Plan" and "My organization has had input into the development of the CFSA Business Plan."

The response categories "somewhat agree" and "strongly agree" have been combined. As this is a new measure, the 2000/01 result establishes a baseline for comparison with future results.

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[1] For Methodology see page 116 in Appendix

GOAL 5.5:
WORK IN PARTNERSHIPS WITH RELEVANT MINISTRIES AND OTHERS TO SUPPORT AN INTEGRATED, CHILD-CENTERED, AND FAMILY-FOCUSED SYSTEM OF SERVICES.

STRATEGIES

5.5.1

Continue to develop integrated, community-based services through the Child and Family Services Authorities.

The development of integrated community services is one of the four pillars that CFSAs must address in their business planning and operations. The ministry has been providing indirect support to that role through activities that clarify governance functions impacting on integration, and that help develop the competencies of CFSA boards and staff. Children's Services has also been assisting the CFSAs by helping to implement provincial funding initiatives that encourage collaboration of service providers.

- A prototype template of governance roles and responsibilities was developed through a collaborative process involving CFSA boards and CEOs, senior department managers, the Office of the Auditor General, and experts on governance. Key features included: the interdependency between the government (minister) and the CFSAs in governance functions; the interface between CFSAs and the department for funding initiatives linked to integrated services; and the clarification of the CFSAs' community governance roles, including their responsibility for ensuring that integrated community services are in place.
- A report identified issues, opportunities, and challenges for the partnership between the department and the CFSAs, in addition to actions that have or will address these issues. The report was provided to all board members and CEOs for their feedback, and the results will be compiled and brought to the CEO Forum and Assembly of Co-chairs for discussion.
- Workshops were also conducted with boards and CEOs to assist them in developing strategies for linking with community stakeholders.

5.5.2

Develop a dispute resolution process for high risk/high needs cases.

A cross-ministry working group was established in 1998 to identify and document dispute resolution at local and regional levels involving children with high risk/high needs, and to make recommendations for developing effective inter-jurisdictional dispute resolution processes. In addition to Children's Services, the group includes representatives from Alberta Health and Wellness, Justice, Learning, and the Alberta Mental Health Board.

- Information on ministry dispute resolution mechanisms was gathered and reviewed and issues related to children with high risk/high needs were identified.
- In 2000, a dispute resolution study with six regions identified and documented how regional and local authorities resolve issues relating to children with high risk/high needs. The study identified the preference for resolving disputes at the local level. Related reviews regarding children with special needs are under way and recommendations identified in the dispute resolution study will be considered once these related reviews are completed.

5.3.3

Champion jointly resourced, collaborative initiatives through the Alberta Children's Initiative and other inter-departmental approaches.

The Alberta Children and Youth Initiative (ACYI), formerly the Alberta Children's Initiative, is a collaborative partnership of government ministries whose business impacts the lives of Alberta's children and youth. Through the development of integrated provincial policy and programs, the partnership enables communities and organizations to plan and deliver an effective, integrated system of services to meet the needs of their children, youth and families.

- The ministry has developed the ACYI Strategic Framework and Action Plan, and has been jointly planning and coordinating services for children and youth with other provincial partners. In addition, it has established key partnerships at the provincial, regional and local levels through the Alberta Partnership on Fetal Alcohol Syndrome (FAS), the Student Health Initiative, Protection of Children Involved in Prostitution, and the Children's Mental Health Initiative.
- The ACYI also reviewed, analyzed and prioritized recommendations from the Children's Forum and the Task Force on Children at Risk reports. A joint Ministerial Request was submitted and additional funding was approved for new and/or enhanced priority areas that include Early Intervention, FAS, Children's Mental Health, and Youth Substance Abuse. Funding will be used to expand support, prevention, and treatment services in these programs.
- A cross-ministry working group developed a Preconception to Age Six (P-6) Framework and Plan, which focuses on the establishment of continued support to promote healthy births and optimal early childhood development.
- The results of the work on P-6, and priorities identified in the Children's Forum and Task Force on Children at Risk, will be the foundation for building a provincial early childhood development strategy.
- The first annual status report on Alberta's Children was made public on the Children's Services website.

5.5.4

Heritage Canada/Action Health examine ways for day care centres to liaise effectively with Health and Wellness, Children's Services and Child and Family Services Authorities, and to connect families appropriately and effectively to required resources.

The Day Care Diversity Health Project is an action research project focused on understanding the implications of cultural diversity for training, and program and policy development in the child care sector. It aims at developing strategies and resources to respond to diversity issues, and enhancing the capacity of front-line staff in promoting the health of children and families from diverse backgrounds.

- The project is drawing on the skills of professionals to discuss community resources to day care staff and parents. These professionals include public health nurses, child welfare staff, early childhood development instructors, as well as licensing and child-care subsidy staff. Another outcome of the project is connecting families appropriately and effectively to the required resources.
- A final report was completed and distributed to chief executive officers, regional day care staff, community colleges and interprovincial directors of child care divisions. The report highlighted issues of concern for day care service providers and parent users of the day care service in the three inner-city day-care centres that participated in the project. These centres have a high percentage of low-income immigrant families and staff from a variety of cultural backgrounds.

5.5.5

Continue to work with Health Canada in support of the Community Action Program for Children (CAPC) and the Canada Prenatal Nutrition program.

The Joint Management Committee (JMC), consisting of partnering ministries, community members and Health Canada, is working to promote the sharing of learning and best practices in the programs, and is providing recommendations on program funding.

- Two workshops were held to review the current role of JMC and explore alternate ways to strategically support enhanced service delivery in the programs.

5.5.6

Work with Human Resources and Employment (Alberta) and HRDC (Canada) to ensure that the National Child Benefit (NCB), including the Alberta Child Health Benefit, addresses the needs of Alberta's children.

The NCB helps families provide a better start in life for their children. It works to reduce child poverty, promote attachment to the workplace and create efficiencies by streamlining program objectives and benefits, and simplifying administration.

- Children's Services is playing an expanded role in developing provincial reinvestment strategies under this national initiative. In addition to the Alberta Child Health Benefit, these initiatives include transitional supports for youth leaving the child welfare system, which intend to promote youth's successful transition to employment, continued learning, and adult responsibilities.
- Children's Services is also examining a prenatal cash benefit proposal advanced by Manitoba that would increase benefits paid to expectant mothers.

Goal 5.5: Work in partnerships with relevant ministries and others to support an integrated, child centered, and family focused system of services.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES: **Integrated child-centered and family-focused system of services**

PERFORMANCE MEASURE: **Number of jointly resourced initiatives through the Alberta Children and Youth Initiatives (ACYI) and other inter-departmental initiatives**

This measure has changed from **"number of jointly resourced initiatives"** to **"number of jointly resourced initiatives through the ACYI and other inter-departmental initiatives"**.

The ministry not only partners with other levels of government (The National Children's Agenda, etc.), it also works in partnership with other ministries to promote opportunities for children and youth to reach their potential. In response to the Children's Forum and Premier's Task Force on Children at Risk, a number of inter-ministry initiatives are underway:

EARLY INTERVENTION: expansion of home visitation parent mentoring program

FETAL ALCOHOL SYNDROME (FAS): enhancement of community capacity to implement local plans to impact FAS, training for professionals and public awareness campaigns

PROTECTION OF CHILDREN INVOLVED IN PROSTITUTION (PChIP): enhancement of treatment and prevention programs and development of a community awareness media campaign

CHILDREN'S MENTAL HEALTH: enhancement of mental health services to children in care, transitional youth, young offenders and children and youth with complex needs, establishment of community team piloted in Calgary

YOUTH SUBSTANCE ABUSE: enhancement of prevention programming to increase substance abuse awareness, establishment of mobile treatment teams to provide outreach treatment

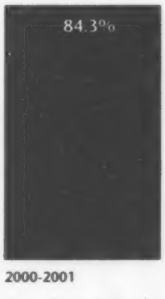
Total funding of $48 million over three years has been allocated for enhanced initiatives: PChIP, FAS, programs for very young children, community support teams, and support for youth leaving child welfare.

Performance Measure: **Satisfaction of partners involved**

An outcome for the ministry is an integrated child-centered and family focused system of services. Effective partnerships with community is critical to this outcome. To measure satisfaction for this measure, community stakeholders were surveyed. ***Community stakeholders*** are organizations that deal with children, such as school boards and health authorities.

The result reported is in response to the question, "Overall, how satisfied are you with your relationship with the CFSA?" The response categories "somewhat satisfied" and "very satisfied" have been combined. This data represents baseline data.

Community stakeholders reporting satisfaction within relationship with CFSA



TARGET:
Increase over time

The data represents baseline data for comparison with future results. The target is to increase the degree of satisfaction over time.

Source: Community Partners Survey, May 2001[1]

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[1] For Methodology see page 116 in Appendix

Performance Measure: **Percentage of users of selected children's services reporting overall satisfaction with services they receive**

Provincial surveys were conducted for three programs in 2000-2001: Handicapped Children's Services, Adoption, and Foster Care. The surveys were conducted at the provincial level in cooperation with the Child and Family Services Authorities. The outcome "Ministry services are effective in meeting the needs of children, youth, families and individuals" was measured by the "proportion of users of selected children's services reporting overall satisfaction with services they receive".

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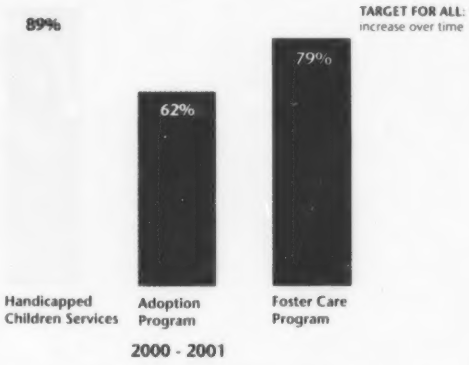
2) Adoption Program Survey[2]

The result reported is in response to the question, "Overall, how satisfied are you with the Ministry of Children's Services' adoption process?" and combines "very satisfied" and "somewhat satisfied" categories. Overall satisfaction with the Adoption program was 62 per cent.

Users of selected Children's Services reporting overall satisfaction with the services they receive



Source: Client Satisfaction Survey for Handicapped Children's Services, Adoption, and Foster Care Program, May 2001

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[1] For Methodology see page 116 in Appendix
[2] For Methodology see page 116 in Appendix
[3] For Methodology see page 116 in Appendix

CORE BUSINESS SIX

Supporting innovation and training.

Children's Services believes that a successful ministry is built on the competency of its staff and the quality of its services. Formative evaluation is key to the long-term planning of efforts that have wide-reaching impact, such as major cross-jurisdictional children's initiatives and funding models of the ministry's entities.

The ministry has also made a long-term commitment to identifying, developing and applying best practices in the workplace.

GOAL 6.1:
CREATE A CULTURE OF CONTINUOUS LEARNING AND IMPROVEMENT THAT UTILIZES BEST PRACTICES IN DELIVERY AND OUTCOME MEASURES.

STRATEGIES

6.1.1

Evaluate all new initiatives/projects from a "best practice" and continuous learning perspective.

The strategy involves the systematic evaluation of all major new initiatives undertaken by Children's Services.

- An evaluation component has been incorporated into plans for the Student Health Initiative, Risk Assessment and Reduction Initiative, Community Response Teams, and Transitional Supports for Youth. Evaluation will also be built into all upcoming work plans, such as Permanency Planning, Capacity Building for Child Welfare Staff, and the Preconception to Six Years of Age Initiative.
- Evaluation reports for the Student Health Initiative and Risk Assessment Tool Pilot Test are complete. Evaluation projects for the Alberta Partnership on Fetal Alcohol Syndrome, Protection of Children Involved in Prostitution, Children's Mental Health Initiative, Alberta Children and Youth Initiative partners, Intensive Behavioural Intervention Services for children with autism, and Conductive Education programs for children with cerebral palsy are being conducted.

6.1.2

Develop a range of training and development opportunities to support ministry staff, including learning accounts, management training, information technology training and advanced professional development.

The Ministry of Children's Services has a learning policy in place for the department and continues to work on development with the 18 CEOs of the Child and Family Services Authorities.

- The ministry created a policy for learning to support staff career development. It offered a range of essential professional development courses to ministry staff and First Nations delegated authority and social services agency staff. A total of 1,486 ministry staff and 335 First Nations and agency staff enhanced their knowledge and skills in areas such as child protection services, alcohol-related birth defects, critical thinking, the child welfare information systems, management development and others.
- Ministry staff attended the Senior and Executive Management Development and Management Development Programs offered to the Alberta Government Services (AGS) through the University of Alberta Faculty of Business.

6.1.3

Complete an annual review of the population- and needs-based funding model for Children's Services, to ensure funding allocation is supported by the most current demographic data and research.

Following the restructuring of the ministry, a funding model was designed in 1999/2000 to allocate monies to the 18 CFSAs. A committee with representation from ministry staff, CFSA Co-chairs and other stakeholders conducted the review.

- Research identified social and economic indicators of need for Child Protection Services. Funding allocation models used in other jurisdictions were also examined.
- Based on current research reports, funding methods are being reviewed.

6.1.4

Review and develop recommendations for the Family and Community Support Services funding allocation model.

In 1998, a new funding model became part of the FCSS program redesign. The ministry committed to evaluate the model after three years.

- A community-based consultation review was co-led by Children's Services and the FCSS Association. The FCSS Funding Allocation Model Review was completed and the results were summarized in the report, "Finding the Balance." Consensus indicates that the FCSS funding allocation model would work well: the pressing need is to take steps to ensure that the required funding level is in place (additional $15.5 million) so that the model could work as it was designed and intended.

6.1.5

Identify best practices in programming in centre-based care for young children (0-6 years) at risk.

Led by Children's Services, this multi-disciplinary research project aims to identify effective practices in developmental centre-based child-care programming.

- A comprehensive literature review was conducted on current theory in quality child care, resiliency, early intervention strategies and programs, early brain development, and healthy child development outcomes. In addition, the review looked at practices in the Canadian setting, in consultation with directors of 15 child-care and early intervention centres across Canada.
- A national Delphi interview process[1] engaged 30 key informants across Canada, bringing expertise in policy development, front-line Early Intervention/Headstart programs, and quality child care programs. The first phase inquired about effective practices in supporting families, facilitating children's development and assessing progress, while the second phase focused on issues emerging from the results.
- Guided by the results of the Delphi analysis, case studies were conducted of local programs that offer Early Intervention and Headstart programming in infant, toddler and preschool settings. The methods included on-site visits, interviews and observations.

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[1] *The Delphi process is a research method that uses consensus building to make group-based decisions. An expert group representing different points of view is typically assembled to assess issues of mutual concern. The process of sharing and assessing comments continues until the group reaches consensus.*

Goal 6.1: Create a culture of continuous learning and improvement that utilizes best practices in delivery and outcome measures.

OUTCOMES & PERFORMANCE MEASURES

OUTCOMES: **Best practices in delivery and outcome measurement are utilized**

PERFORMANCE MEASURE: **Number of interventions utilizing best practices**

This is not a measure which can be standardized and reported on in a reliable manner over time and will not be reported on in future years. In striving to achieve best practices in all areas of program and service delivery, the ministry has a Best Practices Branch and strives to establish best practice processes in all areas of ministry work. Examples of best practice work in 2000-01 include:

- The ministry is on the leading edge in providing comprehensive services to children involved in prostitution through the *Protection of Children Involved in Prostitution Act* (PChIP)

- In the area of Handicapped Children's Services, there is now a policy in place for the provision of Behavioural Intervention (BI) services to support developmental growth.

- Tools for the assessment and reduction of risk to children were developed, tested and integrated into existing practice

- The department worked with the Yellowhead Tribal Services Agency to facilitate culturally appropriate adoption arrangements for Aboriginal children. Enhancements are being made to the Open/Custom Adoption program to facilitate improved adoption services to the other First Nations in Alberta

- The Neegan Awas'sak CFSA has implemented a "family group conferencing" process that allows movement from case planning to family planning when dealing with complicated child welfare matters

- An Aboriginal Mediation Circle was established in the Calgary Rocky View CFSA to provide an opportunity for Aboriginal families to participate in mediation prior to issues proceeding to court. The circle is guided by Aboriginal members of the community and provides a non-confrontational method to resolve differences

- The Ribstone CFSA has developed a process for greater consumer/client involvement in the development and delivery of services. The "social agreement" is a process of negotiating goals and outcomes with clients which is managed almost entirely by the client. Early results show significant improvement in client-Authority relations and in client outcomes.

- The Keystone CFSA has established a Comprehensive Family Violence Initiative, an early intervention program directed by a board of representatives that deals with the issue of family violence. Using psycho-educational group sessions, participants learn new skills to affect positive, healthy conflict resolution. The professional community has embraced this innovative approach of responding to all family members simultaneously. Early outcomes are promising with increased referrals, reduced fear and tension in homes, and requests by male and female participants for additional modules to enhance their parenting skills.

In addition, the ministry developed and implemented a "logic model process" across program areas to clearly define short, intermediate and long-term outcomes. This "best practice" in the area of performance measurement is resulting in improved performance measures for the ministry, a greater focus on outcomes or results, and enhanced accountability.

Performance Measure: Number of staff using continuous learning and improvement opportunities

During 2000-2001, a total of 1,486 ministry staff attended various staff development courses. The number of course seats that were filled totaled 3,058. Staff Development also provides training to agencies and First Nations. Three hundred and thirty-five First Nations and agency staff made use of 474 seats in various courses. The courses/training offered by Staff Development include: child protection training services, orientation, basic training, investigation of child sexual abuse, substance abuse, child welfare supports, the Child Welfare Information System (CWIS), alcohol related birth defects, and critical thinking. This represents provincial training that is coordinated and/or delivered by Staff Development at corporate headquarters. This data does not include other professional/career development courses/programs supported by the ministry, but taken at other academic institutions.

Ministry staff also attended the Senior and Executive Management Development, and Management Development Programs offered to Alberta Government Services (AGS) through the University of Alberta Faculty of Business.

The ministry has also established a learning account which provides $300 to individual ministry staff for purchase of software/hardware, books, training, and courses of professional/career interest. During 2000-2001, 212 staff used a total of $37,982 from the learning account.

The CFSAs also have implemented learning accounts that provide staff opportunities for career and professional development. The training and development support for staff may include university/college courses, local workshops etc.

During 2000-2001, numerous training supports were also provided by ministry staff to the 18 CFSAs to assist their boards and chief executive officers with operational and strategic planning and development of governance policies.

FINANCIAL ANALYSIS

Results of Operations

Consolidated revenues in 2000-01 were $121.0 million, approximately $31.0 million higher than in the previous year. Annual spending increased by over $79.5 million from 1999-00. Spending increases were funded through a budgeted increase to the ministry's base budget, the approval of supplementary estimates of $50.2 million, and some revenue received from outside sources.

Revenues

Total consolidated revenues increased by 35 per cent or $31.3 million from the previous year. This increase in revenue is attributable to the Government of Canada reinstating a portion of the Canada Health and Social transfer payments which had been previously reduced.

We received funding in 2000-01 under the Canada Health and Social Transfer ($93.2 million); from the reimbursement of services delivered to residents of first nations reserves ($5.6 million); and via the Child Welfare Special Allowance ($11.3 million). Other revenue comes from the Alberta Lottery Fund ($1.2 million), from refunds of expenditure from First Nation bands, vendors, contractors ($6.7 million), and from other revenue received by the CFSAs ($3.0 million).

Expenses

Increases in spending are linked to continued growth in the number of children requiring help under child welfare, and increases in the number of children with disabilities accessing our programs. At the same time, increased investment into proactive or educational programs such as early intervention, permanency planning and Fetal Alcohol Syndrome were made.

The following overview provides a high level discussion of significant expenditure variances in the ministry.

Services for children and families

Expenditures for services for children and families increased by $72.5 million, year over year. Child and Family Services Authorities incurred the majority of these expenditures in the delivery of services to children and families in their regions. The initial budget for these expenditures anticipated an increase in caseload and costs; but supplementary funding of $50.2 million was required to provide for unbudgeted cost pressures.

While costs of services for children and families increased significantly, at the end of the year there was a net budget surplus of $6.5 million. The majority of this surplus ($4.0 million) relates to a need to cover cash shortages for expenditures recorded in the previous year, and therefore these funds are not considered to be an expenditure of the 2000-01 fiscal period and are not recorded as such.

More specifically, the operations for the year reflect:

- A $7.3 million budget variance in program support in order to provide community supports, information technology and processing supports to program delivery.

- A $12.5 million positive budget variance in Child Welfare. Initial forecasts indicated significant cost pressures in child welfare caseload. Cost containment strategies reduced expenditures from what had been forecasted. Allocation of the expenditure authority received through supplementary estimates was not adjusted to reflect the actual cost pressures. Therefore, although the supplementary expenditure authority received was allocate to Child Welfare, the expenditures were made in the areas of Child Welfare and Program Support.

- A budget variance of $847,000 in Handicapped Children's Services, which experienced significant cost pressures compared to the previous year. Most of these pressures were accommodated through supplementary expenditure authority provided during the year.

- A $2.4 million budget variance in day care, where subsidy demand patterns forecasted early in the year were not sustained.

- Other budget variances in early intervention services, and prevention of family violence initiatives.

Family and Community Support Services

- Family and Community Support Services planned for an increase of $1.4 million over the previous year. Operating results indicate that the actual expenditure was slightly larger than this, leaving a small negative budget variance.

Ministry Support Services

- This was the first year of full operations of the ministry. An increase in ministry support services had been anticipated in order to provide the full range of supports for program planning and delivery. Capacity was planned in the research and development of initiatives and programs and to deal with inter-ministry and intergovernmental issues.

- Operating results indicate that the ministry experienced unanticipated cost pressures in the area of information technology supports, financial and human resources processing and support requirements. These corporate administration systems provide the infrastructure support for the department and the ministry.

Summary of Comparison to Previous Year

Expenditures for Services for Children and Families increased by $72.5 million. The majority of this increase is directly related to continued caseload growth and increases in the cost per case from the previous year.

Child Welfare Programs	$45.8 million increased spending due to a growth of 1,424 or 11.1% more cases, higher costs per case, contract agency wage enhancements, additional staff required to handle additional workload, and program enhancements such as permanency planning and early intervention initiatives.
Handicapped Children	$11.2 million increased spending due to more complex and costlier services accessed by more families with children with disabilities.
Early Intervention/ Prevention of Family Violence	an additional $8.6 million was provided for increased access needs related to Women's Shelters and for a continued focus on early intervention initiatives such as fetal alcohol syndrome.
Child Care	approximately $0.6 million is attributable to higher average subsidies paid to parents.
Family and Community Support Services	the increase of $1.5 million reflects better utilization by communities of the available grants from the department, for preventive social program needs at the local level.

Ministry Support Services increased by $4.4 million from the previous year. This increase reflects additional manpower needs to staff strategic support areas in the department, which are needed to adequately support program delivery and planning. These areas include best practices, human resource management, provincial programs and performance measures/provincial standards.

OPPORTUNITIES AND CHALLENGES

ABORIGINAL ISSUES

Aboriginal children constitute close to half of the aboriginal population, a proportion almost twice as high as that of the general child population. Moreover, the aboriginal child population will continue to steadily grow, unlike the Alberta child population in general which is projected to decline. More than 68 per cent of aboriginal people live in towns and cities off reserve, and often find themselves ill-equipped to adapt to their social environment. Among some of the social issues they face is the disproportionately high representation of aboriginal children in the child welfare caseload, at an average of 38 per cent. The escalating migration of aboriginal children and families from reserves also increases cost pressures for services that, otherwise, would fall under the jurisdiction of the federal government responsible for on-reserve services.

The ministry has already made a strong commitment to supporting aboriginal communities in taking ownership of services for their children and families. Aboriginal services have been identified as a major area of emphasis in future business planning, including better outcomes for children and families. Early intervention is crucial to prevent the incidence of child abuse and neglect from escalating with the rising child population. A challenge is maintaining strong partnerships with First Nations and Metis Settlements, in order to successfully implement a wide-scale strategy that addresses child abuse and neglect in these communities.

CASELOAD GROWTH

Child welfare caseload has increased by 61 per cent over the past five years, but the growth is a complex issue that cannot be attributed to one single factor. With the move toward community-based early intervention services, many needs that traditionally fell within the jurisdiction of child welfare are now being met through other programs. Cases left to child welfare intervention are becoming more complex and serious, which has raised the cost per case. With the move to community-based services, child welfare has also developed a much higher profile that has raised awareness of child abuse and neglect in the community and increased the number of referrals. The challenge facing the ministry is in devoting sufficient resources to early intervention while still adequately addressing the growing caseload. Investment in early intervention strategies would need to be increased, while securing permanent environments for children in care and improving the efficiency of the case management system.

DAY CARE

Alberta has the highest turnover rate of child care staff in Canada (45 per cent compared to the national average of 22 per cent). A strong economy and traditionally low pay are mainly responsible for the difficulties in recruiting and retaining qualified workers. As the majority of parents in Alberta are working and day care is assuming a critical role in the child's development, the current day care situation can have implications for children. Children in centres that have experienced high staff turnover in the last 12 months are reported to have poorer language development and social interaction skills.

GOVERNANCE

The regionalization of service delivery has presented challenges in the area of governance and accountability, particularly in relation to clarity of roles and mandate. The ministry has been engaged in designing and implementing a number of governance tools. In doing so, the challenge is to ensure that government's overall children's policy is reflected in the local delivery of services, without compromising the community's autonomy in making decisions appropriate to local circumstances.

PERFORMANCE MEASURES

Increased implementation of the 'integrated services' pillar has resulted in the provision of a more coordinated response to children's services, and a more holistic approach to children's needs. However, the conventional quantitative methods of measurement do not apply well to measuring performance in integrated services. For one thing, these services are scattered throughout a number of community-based programs and it would be impossible to count all individuals who benefit from them. Secondly, services offered within an integrated context have both cumulative effects and a synergistic effect due to their holistic nature. As Children's Services and the CFSAs move further toward this approach in delivering and managing services, there will be a need for developing innovative methods to measure performance in a service integration context.

The service trend toward early intervention presents an additional challenge for measuring performance in children's services. Early intervention requires working with the entire family unit to create a healthy environment that supports the child's development. While early intervention is expected to have more long-term benefit for children than the traditional treatment model, the outcomes of such an approach are not as easily or quickly measurable.

ALBERTA CHILDREN'S SERVICES **2000-2001** ANNUAL REPORT

MINISTRY OF CHILDREN'S SERVICES · CONSOLIDATED FINANCIAL STATEMENTS

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AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Children's Services as at March 31, 2001 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry of Children's Services as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Ministry of Children's Services

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(In thousands)

	2001 Budget (Schedule 3)	2001 Actual	2000 Actual
REVENUES (Schedule 1)			
Transfers from Government of Canada	$ 88,835	$ 110,194	$ 80,966
Internal Government Transfers	1,200	1,200	1,000
Investment Income	25	-	24
Other	6,750	9,691	7,803
	96,810	121,085	89,793
EXPENSES			
Voted (Schedules 2, 3 and 4)			
Ministry Support	11,660	13,926	9,016
Services for Children and Families	486,561	532,124	459,604
Family and Community Support Services	37,819	37,864	36,390
	536,040	583,914	505,010
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	-	266	210
Provision for Vacation Pay	937	846	348
	937	1,112	558
TOTAL EXPENSES	536,977	585,026	505,568
NET OPERATING RESULTS	$ (440,167)	$ (463,941)	$ (415,775)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Children's Services

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(In thousands)	
	2001	2000
	Actual	Actual
ASSETS		
Cash	$ 15,194	$ 230
Accounts Receivable (Note 3)	19,819	23,594
Advances	556	560
Capital Assets (Note 4)	1,516	29
	$ 37,085	$ 24,413
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 34,645	$ 48,458
NET ASSETS (Liabilities)		
Net Liabilities at Beginning of Year	(24,045)	(12,309)
Net Operating Results	(463,941)	(415,775)
Net Transfer from General Revenues	490,426	404,039
Net Assets (Liabilities) at End of Year	2,440	(24,045)
	$ 37,085	$ 24,413

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Children's Services

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(In thousands)	
	2001	2000
OPERATING TRANSACTIONS		
Net Operating Results	$ (463,941)	$ (415,775)
Non-Cash Items		
Amortization of Capital Assets	825	7
Valuation Adjustments	1,112	558
	(462,004)	(415,210)
Decrease (Increase) in Accounts Receivable (a)	3,509	(9,429)
Decrease (Increase) in Travel Advances	4	(538)
Increase (Decrease) in Accounts Payable (a)	(14,659)	21,208
Cash Used by Operating Transactions	(473,150)	(403,969)
INVESTING TRANSACTIONS		
Transfer of Capital Assets (Note 4)	(2,312)	(36)
Cash Used by Investing Transactions	(2,312)	(36)
FINANCING TRANSACTIONS		
Net Transfer from General Revenues	490,426	404,039
Cash Provided by Financing Transactions	490,426	404,039
NET CASH PROVIDED	14,964	34
CASH, BEGINNING OF YEAR	230	196
CASH, END OF YEAR	$ 15,194	$ 230

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Children's Services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Ministry and Purpose

The Ministry of Children's Services has been designated as responsible for various acts by the *Government Organization Act* and its regulations. To fulfill these responsibilities, the Ministry consists of the organizations listed below.

Organization	Legislation
Department of Children's Services	*Government Organization Act*
18 Child and Family Services Authorities	*Child and Family Services Authorities Act*

The Ministry provides community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature and published financial statements relating to either the public sector or analogous situations in the private sector, are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Children's Services for which the Minister of Children's Services is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Provincial Treasurer. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Monetary donations received from external sources are recorded as revenue when received.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Ministry of Children's Services

Note 2 (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Directly incurred expenses include:

- amortization of capital assets,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Net Assets/Liabilities

Net assets/liabilities represents the difference between the value of assets held by the Ministry and its liabilities.

Ministry of Children's Services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounts Receivable

(In thousands)

	2001 Gross Amount	2001 Allowance for Doubtful Accounts	2001 Net Realizable Value	2000 Net Realizable Value
Accounts Receivable	$ 19,876	$ 1,390	$ 18,486	$ 19,842
Refunds from Suppliers	1,333	-	1,333	$ 3,752
	$ 21,209	$ 1,390	$ 19,819	$ 23,594

Accounts receivable are unsecured and non-interest bearing.

Note 4 Capital Assets

(In thousands)

	2001 Estimated Useful Life	2001 Cost	2001 Accumulated Amortization	2001 Net Book Value	2000 Net Book Value
Vehicle	3 years	$ 25	$ 17	$ 8	$ -
Computers/Systems	3 – 5 years	10,360	8,852	1,508	29
		$ 10,385	$ 8,869	$ 1,516	$ 29

Systems supporting Children's Services' programs were transferred from the Ministry of Human Resources and Employment to the Ministry at the net book value of $2,299 effective April 1, 2000.

Note 5 Commitments

At March 31, 2001, the Ministry has the following commitments:

(In thousands)

	2001	2000
Service contracts	$ 4,556	$ 6,759
Long-term leases (a)	$ 2,263	$ 5,704

(a) The Ministry leases certain equipment and vehicles under operating leases that expire at various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)

2002	2003	2004	2005
$960	$726	$379	$198

Ministry of Children's Services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 6 Contingencies (in thousands)

At March 31, 2001, the Ministry is a defendant in 63 legal claims (2000 – 45 legal claims). Sixty of these claims have specified amounts totaling $143,670 and the remaining three have no specified amounts (2000 – 40 claims with specified amounts of $70,057 and five with no specified amounts).

Included in the total legal claims are 43 claims amounting to $124,706 in which the Ministry has been jointly named with other entities. Thirty-six claims amounting to $97,480 may be partly covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 7 Payments under Agreements (in thousands)

The Ministry has entered into various agreements to deliver programs and services that are fully funded by other entities. These agreements restrict the use of funds to the purpose set out in the agreement. Revenue is recognized as expenses are incurred. Excess funds received amounting to $60 (2000 - $3) are included in accounts payable. Certain agreements require expenses to be incurred prior to receipt of the funds. Reimbursement for expenses incurred for which funds have not been received, in the amount of $1,300 (2000 - $0) are included in accounts receivable.

The full amount of expenses allowed for under agreements with the program sponsors are as follows:

	(In thousands)	
	2001	2000
Alberta Learning - Calgary Rocky View CFSA	$ 928	$ -
Alberta Human Resources and Employment - Calgary Rocky View CFSA	230	-
Metis General Council, Justice Canada and Alberta Justice - Metis Settlements CFSA	211	151
Alberta Learning, and Alberta Health & Wellness - Ma'Mowe CFSA	794	-
Justice Canada - Neegan Awas'sak CFSA	35	-
Ft. McMurray Public School Board - Awasak CFSA	264	180
Elk Island School Division - Sakaigun Askiy CFSA	39	-
	$ 2,501	$ 331

Ministry of Children's Services

Note 8 Pensions (in thousands)

The Ministry participates in multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $5,674 for the year ending March 31, 2001 (2000 - $4,213).

At Dec. 31, 2000, the Management Employees Pension Plan reported a surplus of $104,658 (2000 - $46,019) and the Public Service Pension Plan reported a surplus of $635,084 (2000 - $517,020).

At Dec. 31, 2000, the Supplementary Retirement Plan for Public Service Managers had a surplus of $180 (2000 - $33).

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Children's Services

REVENUES **SCHEDULE 1**

For the year ended March 31, 2001

(In thousands)

	2001		2000
	Budget	Actual	Actual
TRANSFERS FROM GOVERNMENT OF CANADA			
Canada Health and Social Transfer	$ 68,354	$ 93,248	$ 64,030
Services to On-Reserve Status Indians	11,381	5,628	7,580
Child Welfare Special Allowance	9,100	11,318	9,356
	88,835	110,194	80,966
INTERNAL GOVERNMENT TRANSFERS			
Transfer from Lottery Fund	1,200	1,200	1,000
INVESTMENT INCOME			
Various	25	-	24
OTHER REVENUE			
Refunds of Expenditure	6,550	6,678	7,772
Other	200	3,013	31
	6,750	9,691	7,803
TOTAL REVENUES	$ 96,810	$ 121,085	$ 89,793

Ministry of Children's Services

EXPENSES - *Directly Incurred Detailed by Object*

For the year ended March 31, 2001

SCHEDULE 2

(In thousands)

	2001		2000
	Budget (a)	Actual	Actual
VOTED			
Salaries, Wages and Employee Benefits	$ 103,100	$ 118,289	$ 96,101
Supplies and Services	327,985	348,712	291,081
Grants	103,830	99,727	96,088
Supplies and Services from Support Service Arrangements with Related Parties (a)	-	16,232	21,585
Financial Transactions and Other	110	129	148
Amortization of Capital Assets	1,015	825	7
TOTAL VOTED EXPENSES	$ 536,040	$ 583,914	$ 505,010

(a) The Ministry received financial and administrative services from the Ministry of Human Resources and Employment and the Alberta Corporate Service Centre (ACSC).

Ministry of Children's Services

BUDGET

For the year ended March 31, 2001

SCHEDULE 3

(In thousands)

	2000 - 2001 Estimates	Authorized Supplementary (a)	2000 - 2001 Authorized Budget
REVENUES			
Transfer from the Government of Canada	$ 88,835	$ -	$ 88,835
Internal Government Transfers	1,200	-	1,200
Investment Income	25	-	25
Other Revenue	6,750	-	6,750
	$ 96,810	$ -	$ 96,810
EXPENSES - DIRECTLY INCURRED			
Voted			
Ministry Support	$ 11,660	$ -	$ 11,660
Services to Children and Families	486,561	52,066	538,627
Family and Community Support Services	37,819	-	37,819
	536,040	52,066	588,106
Statutory			
Valuation adjustments			
Vacation Pay and Repayable Advances	937	-	937
TOTAL EXPENSES	536,977	52,066	589,043
NET OPERATING RESULTS	$ (440,167)	$ (52,066)	$ (492,233)
CAPITAL INVESTMENTS	$ -	$ -	$ -

Note: (a) Supplementary Estimates of $46,372,000 were approved on December 4, 2000. Also includes special warrant no.116/2001 of $3,800,000. Additional budget approval of $1,894,000 in lieu of external revenues received by the Child and Family Services Authorities, was obtained throughout the year.

Ministry of Children's Services

COMPARISON OF EXPENSES – *Directly Incurred by Element Compared to Authorized Budget* SCHEDULE 4

For the year ended March 31, 2001

(In thousands)

	2000 - 2001 Estimates	Authorized Supplementary	2000 - 2001 Authorized Budget	2000 - 2001 Actual Expense	Unexpended (Over Expended)
VOTED		(a)			
Ministry Support Services					
Minister's Office	$ 300	$ -	$ 300	$ 280	$ 20
Deputy Minister's Office	380	-	380	376	4
Office of the Children's Advocate	1,968	-	1,968	2,028	(60)
Partnership, Aboriginal Support, and Intergovernmental Relations	1,129	-	1,129	933	196
Accountability and Provincial Standards	319	-	319	-	319
Corporate Administration	7,564	-	7,564	10,309	(2,745)
	11,660	-	11,660	13,926	(2,266)
Services for Children and Families					
Program Support	31,870	4	31,874	39,162	(7,288)
Child Welfare	316,638	30,285	346,923	334,393	12,530
Handicapped Children's Services	41,007	13,664	54,671	55,518	(847)
Early Intervention	21,445	5,615	27,060	26,816	244
Day Care	64,084	2,214	66,298	63,875	2,423
Prevention of Family Violence	11,517	284	11,801	12,277	(476)
Mediation and Court Services	-	-	-	83	(83)
	486,561	52,066	538,627	532,124	6,503
Family and Community Support Services					
Program Support	215	-	215	-	215
Financial Assistance to Communities and Organizations	37,604	-	37,604	37,864	(260)
Family and Community Support Services	37,819	-	37,819	37,864	(45)
TOTAL VOTED EXPENSES	$ 536,040	$ 52,066	$ 588,106	$ 583,914	$ 4,192
STATUTORY					
Valuation Adjustment	937	-	937	1,112	(175)
TOTAL EXPENSES	$ 536,977	$ 52,066	$ 589,043	$ 585,026	$ 4,017

(a) Supplementary Estimates of $46,372,000 were approved on December 4, 2000. Also includes special warrant no. 116/2001 of $3,800,000 Additional budget approval of $1,894,000 in lieu of external revenues received by the Child and Family Services Authorities, was obtained throughout the year.

The Ministry has paid achievement bonuses totalling $700,000 to its management and opted out employees. This amount has been allocated to the relevant programs.

Ministry of Children's Services

RELATED PARTY TRANSACTIONS

SCHEDULE 5

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands) 2001	2000
REVENUES		
Internal Government Transfers	$ 1,200	$ 1,000
Recovery from Ministry of Health	313	-
Recovery from ESHIP Partnership (various Ministries)	794	-
Recovery from Ministry of Human Resources & Employment	230	-
Recovery from Ministry of Learning	928	-
	$ 3,465	$ 1,000
EXPENSES		
Ministry of Health and Wellness	$ -	$ 2,398
Ministry of Infrastructure	-	327
Ministry of Innovation and Science	970	-
Ministry of Learning	-	(198)
	$ 970	$ 2,527
RECEIVABLE FROM/(PAYABLE TO)		
Ministry of Health and Wellness	$ -	$ (1,310)
ESHIP Partnership (various Ministries)	373	-
Ministry of Learning	676	198
Ministry of Human Resources & Employment	205	5,565
	$ 1,254	$ 4,453
CAPITAL ASSETS TRANSFERRED FROM HUMAN RESOURCES & EMPLOYMENT	$ 2,299	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 6.

	(In thousands) 2001	2000
EXPENSES (NOTIONAL)		(a)
Accommodation	$ 16,858	$ 11,004
Legal Services	1,828	1,967
	$ 18,686	$ 12,971

(a) In 1999/2000, agency accommodation costs for Child and Family Services Authorities were not reported. The comparative amount has been restated to include these costs.

Ministry of Children's Services

ALLOCATED COSTS

SCHEDULE 6

For the year ended March 31, 2001

(In thousands)

	2001						2001	2000
	Expenses - Incurred by Others			Valuation Adjustments (4)				
Program	Expenses (1)	Accommodation Costs (2)	Legal Services (3)	Other Manpower	Doubtful Accounts	Other	Total Expenses	Total Expenses
Ministry Support	$ 13,926	$ 810	$ -	$ -	$ -	$ -	$ 14,736	$ 5,053
Services for Children and Families	532,124	16,034	1,828	846	266	-	551,098	477,070
Family and Community Support Services	37,864	14	-	-	-	-	37,878	36,413
	$ 583,914	$ 16,858	$ 1,828	$ 846	$ 266	$ -	$ 603,712	$ 518,536

1) Expenses as per the Statement of Operations, excluding valuation adjustments.

2) Accommodation Costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent building costs allocated by the number of employees per program.

3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

4) Valuation Adjustments as per the Statement of Operations. Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employer benefits - accrued vacation pay due to all employees assigned to a program,
- Doubtful Accounts Provision - estimated expenses incurred by each program,
- Other Valuation Adjustments - allocated by costs incurred by each program.

Ministry of Children's Services

STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS

For the year ended March 31, 2001

The following statement has been prepared pursuant to section 28 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs of the Ministry of Children's Services made or approved during the fiscal year.

	(In thousands) **2001**
Remissions under section 26 of the *Financial Administration Act*:	$ -
Compromises under section 27 of the *Financial Administration Act*:	$ -
Write Offs:	
Accounts Receivable	
Child Care Subsidy Program	$ 49
Foster Care Program	5
Child-in-Need Program	3
	57
	$ 57

Note: This schedule is supplementary information only, and not part of the audited consolidated financial statements.

Illustration by Samantha (age 7)

ALBERTA CHILDREN'S SERVICES **2000-2001** ANNUAL REPORT

DEPARTMENT OF CHILDREN'S SERVICES - FINANCIAL STATEMENTS

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AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Minister of Children's Services

I have audited the statement of financial position of the Department of Children's Services as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Certain information technology, communications, financial and human resource expenses relating to the operations of the Child and Family Services Authorities have not been allocated by the Department to the Child and Family Services Authorities. This exception from Canadian generally accepted accounting principles results in the overstatement, for the Department, of expenses for the year ended March 31, 2001 and the net liabilities at March 31, 2001 by an amount that has not been quantified. These expenses for the Department and the Authorities totaled $16,232,000 and were recorded entirely by the Department.

In my opinion, except for the effect of the matter discussed in the preceding section, these financial statements present fairly, in all material respects, the financial position of the Department of Children's Services as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Department of Children's Services

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(In thousands)

	2001		2000
	Budget	Actual	Actual
	(Schedule 3)		(restated - Note 3)
REVENUES (Schedule 1)			
Transfers from Government of Canada	$ 88,635	$ 110,194	$ 80,966
Internal Government Transfers	1,200	1,200	1,000
Investment Income	25	-	24
Other	6,450	6,130	7,803
	96,310	117,524	89,793
EXPENSES			
Voted (Schedules 2, 3 and 4)			
Ministry Support	11,660	13,926	9,023
Services for Children and Families	486,061	534,331	455,583
Family and Community Support Services	37,819	37,864	36,389
	535,540	586,121	500,995
Statutory			
Valuation Adjustments			
Provision for Doubtful Accounts	-	266	210
Provision for Vacation Pay	937	-	233
	937	266	443
TOTAL EXPENSES	536,477	586,387	501,438
NET OPERATING RESULTS	$ (440,167)	$ (468,863)	$ (411,645)

The accompanying notes and schedules are part of these financial statements.

Department of Children's Services

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(In thousands) 2001	2000 (restated - Note 3)
ASSETS		
Cash	$ 202	$ 18
Accounts Receivable (Note 4)	18,023	30,410
Travel Advances	537	537
Capital Assets (Note 5)	1,494	-
	$ 20,256	$ 30,965
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 18,608	$ 50,880
NET ASSETS (Liabilities)		
Net Liabilities at Beginning of Year	(19,915)	(12,309)
Net Operating Results	(468,863)	(411,645)
Net Transfer from General Revenues	490,426	404,039
Net Assets (Liabilities) at End of Year	1,648	(19,915)
	$ 20,256	$ 30,965

The accompanying notes and schedules are part of these financial statements.

Department of Children's Services

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(In thousands)	
	2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (468,863)	$ (411,645)
Non-Cash Items		
Amortization of Capital Assets	817	-
Valuation Adjustments	266	443
	(467,780)	(411,202)
Decrease (Increase) in Accounts Receivable (a)	12,121	(16,003)
Decrease (Increase) in Travel Advances	-	(515)
Increase (Decrease) in Accounts Payable (a)	(32,272)	23,503
Cash Used by Operating Transactions	(487,931)	(404,217)
INVESTING TRANSACTIONS		
Transfer of Capital Assets (Note 5)	(2,311)	-
Cash Used by Investing Transactions	(2,311)	-
FINANCING TRANSACTIONS		
Net Transfer from General Revenues	490,426	404,039
Cash Provided by Financing Transactions	490,426	404,039
NET CASH PROVIDED	184	(178)
CASH, BEGINNING OF YEAR	18	196
CASH, END OF YEAR	$ 202	$ 18

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Department of Children's Services

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Department and Purpose

The Department of Children's Services operates under the authority of the *Government Organization Act*, Statutes of Alberta.

The Department is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration partnerships and sharing resources.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature and published financial statements relating to either the public sector or analogous situations in the private sector, are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Department of Children's Services, which is part of the Ministry of Children's Services and for which the Minister of Children's Services is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Provincial Treasurer. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Department of Children's Services

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the government's budget documents.

Directly incurred expenses include:

- amortization of capital assets,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 7.

Assets

Financial assets of the Department are financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, travel advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Net Assets/Liabilities

Net assets/liabilities represents the difference between the value of assets held by the Department and its liabilities.

Department of Children's Services

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Changes in Accounting Policy (in thousands)

Effective April 1, 2000, the accounting policy regarding accrued vacation pay, and achievement bonuses changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Child and Family Services Authorities' financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authorities provide.

The changes in accounting policy have been applied retroactively. The effect of the changes are:

1) Achievement Bonuses: increase grant expenses to the Authorities, decrease salaries, wages and employee benefits by $563 (1999 - 2000 $295).

2) Accrued Vacation Pay: increase grant expenses to the Authorities, decrease valuation adjustments by $846 (1999 - 2000 $115).

Note 4 Accounts Receivable

(In thousands)

	2001			2000
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 19,355	$ 1,390	$ 17,965	$ 30,011
Refunds from Suppliers	58	-	58	399
	$ 19,413	$ 1,390	$ 18,023	$ 30,410

Accounts receivable are unsecured and non-interest bearing.

Note 5 Capital Assets

(In thousands)

	2001			
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value
Vehicle	3 years	$ 25	$ 17	$ 8
Computers/Systems	3 – 5 years	$ 10,324	$ 8,838	$ 1,486
		$ 10,349	$ 8,855	$ 1,494

Systems supporting Children's Services' programs were transferred from the Ministry of Human Resources and Employment to the Department at the net book value of $2,299 effective April 1, 2000.

Note 6 Commitments

At March 31, 2001, the Department has the following commitments:

	(In thousands)	
	2001	2000
		(a)
Long-term leases	$ 270	$ 18

(a) The comparative amount was revised to exclude Child and Family Services Authorities (CFSAs) commitments which are now disclosed in the CFSA Financial Statements.

The above commitments relate to vehicle leases. These leases will expire at various intervals over the next three years; however; it is the Department's intention to maintain the fleet inventory at present levels.

The estimated annual payments for the next three years are as follows:

(In thousands)

2002	2003	2004
$90	$90	$90

Note 7 Contingencies (in thousands)

At March 31, 2001, the Department is a defendant in 63 legal claims (2000 – 45 legal claims). Sixty of these claims have specified amounts totaling $143,670 and the remaining three have no specified amounts (2000 – 40 claims with specified amounts of $70,057) and the remaining five with no specified amounts).

Included in the total legal claims are 43 claims amounting to $124,706 in which the Department has been jointly named with other entities. Thirty-six claims amounting to $97,480 may be partly covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 8 Pensions (in thousands)

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $1,198 for the year ending March 31, 2001 (2000 - $714).

At Dec. 31, 2000, the Management Employees Pension Plan reported a surplus of $104,658 (1999 - $46,019) and the Public Service Pension Plan reported a surplus of $635,084 (1999 - $517,020).

At Dec. 31, 2000, the Supplementary Retirement Plan for Public Service Managers had a surplus of $180 (1999 - $33).

Department of Children's Services

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of Children's Services

REVENUES **SCHEDULE 1**

For the year ended March 31, 2001

(In thousands)

	2001		2000
	Budget	Actual	Actual
TRANSFERS FROM GOVERNMENT OF CANADA			
Canada Health and Social Transfer	$ 68,154	$ 93,248	$ 64,030
Services to On-Reserve Status Indians	11,381	5,628	7,580
Child Welfare Special Allowance	9,100	11,318	9,356
	88,635	110,194	80,966
INTERNAL GOVERNMENT TRANSFERS			
Transfer from Lottery Fund	1,200	1,200	1,000
INVESTMENT INCOME			
Various	25	-	24
OTHER REVENUE			
Refunds of Expenditure	6,250	6,093	7,772
Other	200	37	31
	6,450	6,130	7,803
TOTAL REVENUES	$ 96,310	$ 117,524	$ 89,793

Department of Children's Services

EXPENSES - *Directly Incurred Detailed by Object* **SCHEDULE 2**

For the year ended March 31, 2001

(In thousands)

	2001		2000
	Budget (a)	Actual	Actual (restated - Note 3)
VOTED			
Salaries, Wages and Employee Benefits	$ 13,340	$ 14,626	$ 9,514
Supplies and Services	57,533	38,749	23,545
Grants	463,542	515,621	446,286
Supplies and Services from Support Service Arrangements with Related Parties (a)	-	16,232	21,585
Financial Transactions and Other	110	76	65
Amortization of Capital Assets	1,015	817	-
TOTAL VOTED EXPENSES	$ 535,540	$ 586,121	$ 500,995

(a) The Department received financial and administrative services from the Ministry of Human Resources and Employment and the Alberta Corporate Service Centre (ACSC).

Department of Children's Services

BUDGET **SCHEDULE 3**

For the year ended March 31, 2001

(In thousands)

	2000 - 2001 Estimates	Authorized Supplementary (a)	2000 - 2001 Authorized Budget
REVENUES			
Transfer from the Government of Canada	$ 88,635	$ -	$ 88,635
Internal Government Transfers	1,200	-	1,200
Investment Income	25	-	25
Other Revenue	6,450	-	6,450
	$ 96,310	$ -	$ 96,310
EXPENSES - DIRECTLY INCURRED			
Voted			
Ministry Support	$ 11,660	$ -	$ 11,660
Services to Children and Families	486,061	50,172	536,233
Family and Community Support Services	37,819	-	37,819
	535,540	50,172	585,712
Statutory			
Valuation adjustments			
Vacation Pay and Repayable Advances	937	-	937
TOTAL EXPENSES	536,477	50,172	586,649
NET OPERATING RESULTS	$ (440,167)	$ (50,172)	$ (490,339)
CAPITAL INVESTMENTS	$ -	$ -	$ -

Note: (a) Supplementary Estimates of $46,372,000 were approved on December 4, 2000. Also includes special warrant no.116/2001 of $3,800,000.

Department of Children's Services

COMPARISON OF EXPENSES – *Directly Incurred by Element Compared to Authorized Budget*   SCHEDULE 4

For the year ended March 31, 2001

			(In thousands)		
	2000 - 2001 Estimates	Authorized Supplementary	2000 - 2001 Authorized Budget	2000 - 2001 Actual Expense	Unexpended (Over Expended)
VOTED		(a)			
Ministry Support Services					
Minister's Office	$ 300	$ -	$ 300	$ 280	$ 20
Deputy Minister's Office	380	-	380	376	4
Office of the Children's Advocate	1,968	-	1,968	2,028	(60)
Partnership, Aboriginal Support, and Intergovernmental Relations	1,129	-	1,129	933	196
Accountability and Provincial Standards	319	-	319	-	319
Corporate Administration	7,564	-	7,564	10,309	(2,745)
	11,660	-	11,660	13,926	(2,266)
Services for Children and Families					
Program Support					
Program Support Services	31,870	5,938	37,808	33,105	4,703
Child and Family Services Secretariat	-	-	-	152	(152)
Provincial Programs					
Protection of Children Involved in Prostitution	2,700	1,000	3,700	3,061	639
Financial Support for Children in Need	3,300	-	3,300	2,859	441
Early Intervention Initiatives	-	4,000	4,000	1,275	2,725
Early Intervention - On Reserve	2,345	-	2,345	567	1,778
Corporate Adoption Services	550	-	550	599	(49)
Fetal Alcohol Initiative					
Operating Expense	-	1,000	1,000	216	784
Operating Expense funded by Lotteries	1,000	-	1,000	1,000	-
Permanency Planning for Children in Care					
Operating Expense funded by Lotteries	200	-	200	-	200
Financial Support to Child and Family Services Authorities					
Sun Country	20,734	2,064	22,798	24,491	(1,693)
Southeast Alberta	11,837	320	12,157	13,963	(1,806)
Windsong	6,376	311	6,687	6,749	(62)
Calgary Rocky View	120,209	819	121,028	124,606	(3,578)
Hearthstone	5,648	654	6,302	6,760	(458)
Diamond Willow	22,365	3,125	25,490	25,870	(380)
Ribstone	10,633	116	10,749	10,745	4
West Yellowhead	10,723	856	11,579	13,106	(1,527)
Keystone	7,465	440	7,905	7,421	484
Ma'Mowe Capital Region	144,871	13,530	158,401	171,488	(13,087)
Sakaw-Asky	12,470	376	12,846	13,867	(1,021)
Sakaigun Asky	14,210	513	14,723	16,147	(1,424)
Region 13	12,815	653	13,468	14,409	(941)
Region 14	3,511	48	3,559	3,711	(152)
Neegan Awas'sak	7,193	125	7,318	6,650	668
Awasak	7,241	409	7,650	6,799	851
Silver Birch	3,891	37	3,928	2,834	1,094
Metis Settlements	3,246	104	3,350	3,323	27
Assembly of Co Chairs	313	-	313	469	(156)
Resource Equalization	18,345	13,734	32,079	18,089	13,990
	486,061	50,172	536,233	534,331	1,902
Family and Community Support Services					
Program Support	215	-	215	-	215
Financial Assistance to Communities and Organizations	37,604	-	37,604	37,864	(260)
	37,819	-	37,819	37,864	(45)
STATUTORY					
Valuation Adjustment					
Provision for Doubtful Accounts	937	-	937	266	671
TOTAL EXPENSES	$ 536,477	$ 50,172	$ 586,649	$ 586,387	$ 262

(a) Supplementary Estimates of $46,372,000 were approved on December 4, 2000. Also includes special warrant no. 116/2001 of $3,800,000.

The Department has paid achievement bonuses totalling $363,000 to its management and opted out employees. This amount has been allocated to the relevant programs.

Department of Children's Services

SALARY AND BENEFITS DISCLOSURE

SCHEDULE 5

For the year ended March 31, 2001

(In thousands)

	2001			2000
	Salary[2]	Benefits and Allowances[3][4]	Total	Total[5] (revised)
SENIOR OFFICIALS[1]				
Deputy Minister	$ 163	$ 40	$ 203	$ 161
Assistant Deputy Ministers				
Strategy and Support Services	$ 115	$ 24	$ 139	$ 128
Accountability and Provincial Services	$ 124	$ 30	$ 154	$ 144
Executive Director				
Partnership and Innovation	$ 114	$ 24	$ 138	$ 115
Children's Advocate	$ 107	$ 23	$ 130	$ 120

1) The presentation format has changed with prospective application from April 1, 2000. Under the new format the total salary and benefits relating to a position are disclosed. Comparatives have not been restated and show the salary and benefits of the last incumbent at March 31, 2000.

2) Salary includes regular base pay, bonuses, and lump sum payments.

3) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

4) Automobile provided, no dollar amount included in benefits and allowance figures.

5) Comparative numbers revised to report bonuses earned in the year.

Department of Children's Services

RELATED PARTY TRANSACTIONS

SCHEDULE 6

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
		(restated - Note 3)		
REVENUES				
Internal Government Transfers	$ -	$ -	$ 1,200	$ 1,000
EXPENSES				
Grants to Child and Family Services Authorities	472,940	405,847	-	-
Reimbursements - Resident on Reserves	18,089	13,690	-	-
Ministry of Health and Wellness	-	-	-	2,398
Ministry of Learning	-	-	-	(198)
Ministry of Infrastructure	-	-	-	327
Ministry of Innovation & Science	-	-	970	-
	$ 491,029	$ 419,537	$ 970	$ 2,527
RECEIVABLE FROM/(PAYABLE TO)				
Children and Family Services Authorities	$ 1,161	$ 7,362	$ -	$ -
Children and Family Services Authorities	(16,707)	(23,027)	-	-
Ministry of Human Resources and Employment	-	-	-	5,565
Ministry of Health and Wellness	-	-	-	(1,309)
Ministry of Learning	-	-	-	198
	$ (15,546)	$ (15,665)	$ -	$ 4,454
CAPITAL ASSETS TRANSFERRED FROM HUMAN RESOURCES AND EMPLOYMENT			$ 2,299	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
EXPENSES (NOTIONAL)				revised - (a)
Accommodation	$ -	$ -	$ 2,572	$ 600
Legal Services	-	-	148	129
	$ -	$ -	$ 2,720	$ 729

(a) Accommodation and Legal Services relating to Child and Family Services Authorities are now disclosed in the financial statements of those entities.

Department of Children's Services[1]

ALLOCATED COSTS

SCHEDULE 7

For the year ended March 31, 2001

(In thousands)

	2001						2001	2000
	Expenses - Incurred by Others			Valuation Adjustments [4]				
Program	Expenses [1]	Accommodation Costs [2]	Legal Services [3]	Other Manpower	Doubtful Accounts	Other	Total Expenses	Total Expenses
Ministry Support Services	$ 13,925	$ 1,145	$ -	$ -	$ -	$ -	$ 15,070	$ 4,738
Services for Children and Families	534,332	1,407	148	-	266	-	536,153	461,012
Family and Community Support Services	37,864	20	-	-	-	-	37,884	36,418
	$ 586,121	$ 2,572	$ 148	$ -	$ 266	$ -	$ 589,107	$ 502,168

1) Expenses as per the Statement of Operations, excluding valuation adjustments.

2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent building costs allocated by the number of employees per program.

3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

4) Valuation Adjustments as per the Statement of Operations. Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employer benefits - accrued vacation pay due to all employees assigned to a program,
- Doubtful Accounts Provision - estimated expenses incurred by each program,
- Other Valuation Adjustments - allocated by costs incurred by each program.

Illustration by Lynzee (age 7)

ALBERTA CHILDREN'S SERVICES **2000-01** ANNUAL REPORT

appendices

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The Ministry of Children's Services
11th Floor Seventh Street Plaza, 10030 – 107 Street
Tel: (780) 422-4441, Fax: (780) 422-9202

INFORMATION SYSTEMS

Child Welfare Information System (CWIS)

The system provides client tracking capability (e.g., outcome of child protection investigation, placement type, legal authority, etc.) as well as documentation support for the five programs under the Child Welfare Act: child protection, adoptions, placement resources, unmarried parents, post adoption support, and protection of children involved in prostitution (PChIP Act). CWIS is the data source for some of the performance measures.

Handicapped Children's Services Information System (HCSIS)

The system provides automated tracking of clients, services, commitments and expenditures. The system is designed to assist the front-line staff in case management and financial tracking by recording and printing agreements, addendum, progress reviews, contact notes and receipt and processing of invoices for payment. The system provides a province-wide standard for service clauses with accounting details and support for supplemental clauses specific to regional and client needs, support for sealed files, file transmission, reporting and office form letters.

Women's Shelter Information System (WSIS)

The system is designed for the collection of extensive information from women who stay in a women's shelter. The information is used to build on existing knowledge about the nature and scope of family violence in Alberta in order to better identify service needs and provide direction for future policy, program development and research.

Integrated Management Information System (IMAGIS)

IMAGIS is a client server computer system which supports the financial and human resources functions of the Alberta Government. The human resource component of the system provides support for all human resource activities including training. IMAGIS is the source for data on the performance measure related to training of staff.

Children's Advocate Information System (CAIS)

This system automates various business functions of the Children's Advocate Office. It is used to track case progress and pending events, records key events and significant people associated with a case, prepare activity summaries and assignment lists, as well as collect biographic, demographic data, presenting reasons, issues and outcomes of cases. It is also used by administration at headquarters to monitor the programs and analyze effects of program changes.

Client Satisfaction Surveys

A number of performance measures in the ministry's 2000-2003 Business Plan required data from client satisfaction surveys. A consultant (Malatest and Associate Ltd.) was contracted through an RFP to conduct client satisfaction surveys for three program areas: Handicapped Children's Services, Foster Care, and Adoption Program, as well a survey of community partners to assess their degree of involvement and participation in local decision making at the CFSA level.

Handicapped Children's Services Survey

The database used for this survey was HCSIS. A census approach was used to survey 13 CFSAs. In the larger CFSAs (CFSA #4, 6, 7, 10 and 12), a sample of Handicapped Children's Services clients was selected to allow for maximum margin of error of ±5 per cent, 19 times out of 20. Out of a valid sample of 3,561 surveys, 2,531 were completed resulting in a response rate of 71.1% for the province. The response rates for the CFSAs ranged from 61.1 per cent to 83.3 per cent. The margin of error for the HCS survey is ±1.6 per cent, 19 times out of 20.

Community Partners Survey

Each CFSA submitted a list of up to 10 community stakeholders and 10 service providers to the survey consultant. Out of a total of 291 surveys, 218 were completed with a response rate of 75 per cent for the province. Response rates for the CFSA's ranged from 60 per cent to 90 per cent. The margin of error for this survey is estimated to be ±6.6 per cent, 19 times out of 20.

Adoption Program Survey

The database used for this survey is CWIS. From a list of 1,150 clients, a random sample of 330 clients was drawn (110 from a group defined as "application received/on waiting list", 110 from a group defined as "home assessment required", and 110 from a group defined as "application approved"). The response rate for this survey is also very high (84 per cent). Out of a total of 300 valid samples, 251 surveys were completed. Data was not collected at the regional level for this survey. The margin of error for this survey is ±5.5 percent, 19 times out of 20.

Foster Care Program Survey

The database used for this survey is CWIS. All clients (foster families or applicants) who were in the CWIS database as of Jan. 31, 2001 were selected for inclusion in the survey. In larger CFSAs of Calgary Rocky View (Region 4) and Ma'Mowe (Region 10), random samples of clients were selected to allow for a maximum margin of error of ±5 per cent, 19 times out of 20. The response rate for the Foster Care Program survey was 71 per cent. Out of a total of 1,459 surveys, 1,033 were completed. The response rates for the CFSAs ranged from 65.1 per cent to 87.5 per cent. The margin of error for this survey is ±2.2 per cent, 19 times out of 20.

Children's Advocate Client Satisfaction Survey

This is an "exit survey" conducted by the Children's Advocate. Two hundred youths 12 years of age or older were contacted and requested to fill out a questionnaire. These clients were selected on the basis of the Children's Advocate's ability to contact them and their capacity to respond to a questionnaire. CAIS and internal records were used to select the sample. Fifty-two responses were received, resulting in a response rate of 26 per cent.

GLOSSARY OF TERMS

Logic Model A logic model is a diagram or flow chart that shows the linkages between what a program does and what it is expected to achieve. Each component can be followed through its logical stages of implementation and outcome. Using a logic model, a program can be broken into its components or activities to illustrate how each activity leads to the overall goal.

Outcome The effects of the outputs of government programs on client groups. The expected results or impacts resulting from government actions.

Apprehensions Under the PChIP Act, if a police officer or director believes, on reasonable and probable grounds, that a child is in need of protection because their involvement in prostitution, or risk of involvement in prostitution, the police officer or director may, by application to a Provincial Court judge or by emergency procedures, apprehend the child.

Voluntary Service Agreements (VSA)

If a child or family wishes to engage in programming after a child has left a protective safe house, a Voluntary Service Agreement must be signed by a director, the child and the child's guardian, or by a director and the child if the child is 16 years or older. The Voluntary Service Agreement provides a description of the programs or services to be made available, the contributions, financial or otherwise, to be made by the guardian, the duration of the agreement, and how the agreement may be amended or terminated. A child or guardian can request to enter into a Voluntary Service Agreement without the child being previously apprehended as along as the child fits within the mandate of the PChIP Act.

Non-residential Crisis Intervention/Referral Services

These are phone or in-person contacts with the shelters by persons who are not requesting admission (residential services), but need family violence support services which include crisis intervention, information, emotional support, and referrals (e.g., police/victim services, child welfare, housing, etc.).

Service Providers

These are agencies/individuals under contract with the CFSAs to provide services.

Community stakeholders

Community stakeholders are organizations that deal with Children, e.g., school boards, health authorities.

CHILD WELFARE APPEAL PANEL

The Child welfare Appeal Panel is an avenue of review for certain types of decisions (set out in the *Child Welfare Act*) made by a Child and Family Services Authority.

The following is a summary of Child Welfare Appeal Panel decisions for the 1999-2000 fiscal year. One table indicates Child Welfare appeals, while the other outlines appeals about Handicapped Children's Services.

CHILD WELFARE APPEAL PANEL
Summary of Appeal Panel Decisions **Handicapped Children's Services**
April 1, 2000 to March 31, 2001

Reversed	14
Upheld	34
Varied	3
No jurisdiction	12
Withdrawn	108
Decision Pending	32
Total	**203**

CHILD WELFARE APPEAL PANEL
Summary of Appeal Panel Decisions **Child Welfare Services**
April 1, 2000 to March 31, 2001

Reversed	6
Upheld	5
Varied	0
No jurisdiction	4
Withdrawn	45
Adjourned Sine Die	4
Decision Pending	28
Total	**94**

MINISTRY CHANGES 2000-2001

MINISTRY	PROGRAM/ENTITY CHANGES	PREVIOUS LOCATION	NEW LOCATION
Aboriginal Affairs and Northern Development (new)	Aboriginal Affairs	International and Intergovernmental Relations	
	• Northern Alberta Development Council • Western Economic Partnership Agreement	Energy (formerly Resource Development)	
Agriculture, Food and Rural Development	• except Public Lands (includes land mgmt & grazing)		Sustainable Resource Development (new)
	• except Surface Rights and Land Compensation Board		
Children's Services	• no change		
Community Development	• except seniors		Seniors (new)
	• except seniors' Housing		-
	• except Alberta Social Housing Corporation		-
	• except Alberta Order of Excellence		Executive Council
	• Persons with Developmental Disabilities Boards and Foundation	Health & Wellness -	
	• Michener Centre	-	
	• Premier's Council on the Status of Persons with Disabilities	- -	
	• Parks and Protected Areas	Environment	
Economic Development	• no change		
Energy (formerly Resource Development	• except Forest Industry Development		Sustainable Resource Development (new)
	• except Northern Alberta Development Council		Aboriginal Affairs and Northern
	• except Western Economic Partnership Agreement		Development (new)
Environment	• except Parks and Protected Areas		Community Development
	• except Land and Forest Service • except Fisheries and Wildlife Management • except Natural Resources Conservation Board • except Environmental Protection & Enhancement Fund (except Forest Development Research program)		Sustainable Resource Development (new)
	• except small water capital		Transportation (new)
	• except Forest Development Research program (formerly part of EPEF)		Innovation & Science

Executive Council	• except Alberta Corporate Service Centre		Government Services
	Alberta Order of Excellence	Community Development	
Finance (formerly part of Treasury)	• Financial Management and Planning	Treasury	Finance
	• except Alberta Securities Commission	-	Revenue
	• except Medical Research Endowment Fund	-	Revenue
	• except Heritage Savings Trust Fund	-	Revenue
	• except Heritage Scholarship Fund	-	Revenue
	• except Risk Management Fund	-	Revenue
Gaming	• no change		
Government Services	• Information Management and Privacy	Municipal Affairs	
	• Records Management	Innovation & Science	
	• Alberta Corporate Service Centre	Executive Council	
Health and Wellness	• except persons with developmental disabilities		Community
	Boards and Foundation		Development
	• except Michener Centre		-
	• except Premier's Council on the Status of Persons with Disabilities		-
	• except Healthy Aging Partnership Initiative		Seniors (new)
Human Resources and Employment	• no change		
Infrastructure	• except National Infrastructure Program		Transportation (new)
	• except Roads and Public Transportation (including water infrastructure)		-
	• except Transportation Engineering (including highways)		-
	• except surplus land		-
	• except Transportation Safety Board		-
Innovation and Science	• except Records Management		Government Services
	• Forest Development Research Program (formerly part of EPEF)	Environment	
International and Intergovernmental Relations	• except Aboriginal Affairs		Aboriginal Affairs and Northern Development (new)
Justice	• except Policing and Correctional Services		Solicitor General (new)
	• except Victims of Crime Fund		
Learning	• no change		
Municipal Affairs	• except Information Management and Privacy		Government Services

Revenue (formerly part of Treasury)	• Tax and Revenue Administration	Treasury	Revenue (new)
	• Investment Management Division	-	-
	• Alberta Securities Commission	-	-
	• Medical Research Endowment Fund	-	-
	• Heritage Savings Trust Fund	-	-
	• Risk Management Fund	-	-
	• Heritage Scholarship Fund	-	-
Seniors (new)	• Seniors	Community Development	
	• Seniors' Housing Corporation	-	
	• Alberta Social Housing Corporation	-	
	• Healthy Aging Partnership Initiative	Health & Wellness	
Solicitor General (new)	• Policing and Correctional Services	Justice	
	• Victims of Crime Fund	-	
Sustainable Resource Development (new)	• Public Lands (includes land mgmt & grazing)	Agriculture, Food, and Rural Development	
	• Surface Rights & Land Compensation Boards		
	• Land and Forest Service	Environment	
	• Fisheries and Wildlife Management	-	
	• Natural Resources Conservation Board	-	
	• Environmental Protection & Enhancement Fund (except Forest Development Research Program)	-	
	• Forest Industry Development	Energy (formerly Resource Development)	
Transportation (new)	• Roads and Public Transportation (including water infrastructure)	Infrastructure	
	• Transportation Engineering (including highways)	-	
	• Transportation Safety Board	-	
	• surplus land	-	
	• National Infrastructure Program	-	
	• small water capital	Environment	

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ALPHABETICAL LIST OF ENTITIES' FINANCIAL INFORMATION IN MINISTRY 2000-01 ANNUAL REPORTS
ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Resource Development
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Treasury
Alberta Heritage Foundation for Medical Research Endowment Fund	Treasury
Alberta Heritage Savings Trust Fund	Treasury
Alberta Heritage Scholarship Fund	Treasury
Alberta Heritage Science and Engineering Research Endowment Fund	Treasury
Alberta Historical Resources Foundation, The	Community Development
Alberta Informatics Circle of Research Excellence Inc. (iCORE)	Innovation and Science
Alberta Insurance Council	Treasury
Alberta Municipal Financing Corporation	Treasury
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Treasury
Alberta Petroleum Marketing Commission	Resource Development
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Treasury
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Treasury
Alberta Social Housing Corporation	Community Development
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Treasury
ATB Investment Services Inc.	Treasury
Child and Family Services Authorities:	
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma' Mowe Capital Region Child and Family Services Authority	
Métis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	

Credit Union Deposit Guarantee Corporation	Treasury
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Environment	Environment
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Justice	Justice
Department of Learning	Learning
Department of Resource Development	Resource Development
Department of Treasury	Treasury
Environmental Protection and Enhancement Fund	Environment
Gainers Inc.	Treasury
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
Lottery Fund	Gaming
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development	Economic Development
Ministry of Environment	Environment
Ministry of Executive Council	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment	Human Resources and Employment
Ministry of Infrastructure	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations	International and Intergovernmental
Relations	
Ministry of Justice	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs	Municipal Affairs
Ministry of Resource Development	Resource Development
Ministry of Treasury	Treasury
N.A. Properties (1994) Ltd.	Treasury
Natural Resources Conservation Board	Environment
Persons with Developmental Disabilities Community Boards	
Calgary Community Board	Health and Wellness
Central Community Board	Health and Wellness
Edmonton Community Board	Health and Wellness
Northeast Community Board	Health and Wellness
Northwest Community Board	Health and Wellness
South Community Board	Health and Wellness
Persons with Developmental Disabilities Foundation	Health and Wellness
Persons with Developmental Disabilities Michener Centre Facility Board	Health and Wellness
Persons with Developmental Disabilities Provincial Board	Health and Wellness
S C Financial Ltd.	Treasury
Supplementary Retirement Plan Reserve Fund	Treasury
Victims of Crime Fund	Justice
Wild Rose Foundation, The	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	*Ministry Annual Report*
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Treasury
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Treasury
Long-Term Disability Income Continuance Plan -Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan -Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Treasury
Provincial Judges and Masters in Chambers Pension Plan	Treasury
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Treasury
Public Service Pension Plan	Treasury
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Treasury
Supplementary Retirement Plan for Public Service Managers	Treasury
Universities Academic Pension Plan	Treasury
Workers' Compensation Board	Human Resources and Employment

SECTION

2

ALBERTA CHILDREN'S SERVICES ANNUAL REPORT 2000 - 01

CHILD AND FAMILY SERVICES AUTHORITIES **FINANCIAL STATEMENTS**

Strong children, families and communities

Section two

Alberta
CHILDREN'S SERVICES

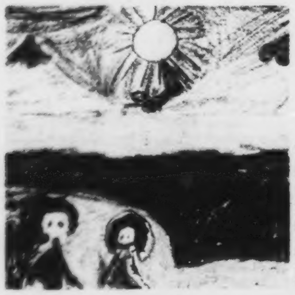

Illustration by Mason (age 7)

Sun Country

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Sun Country Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Sun Country Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 18, 2001

Sun Country Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 20,734	$ 24,491	$ 20,662
Recoveries - Resident on Reserve	-	3,407	2,672
Recoveries - Inter-Authority Services	-	343	221
	20,734	28,241	23,555
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	467	451
Child Welfare	14,511	18,204	16,840
Handicapped Children's Services	1,050	2,194	1,597
Day Care	3,127	3,703	3,734
Inter-Authority Services	-	343	221
Other	1,449		
Early Intervention	-	1,171	864
Prevention of Family Violence	-	1,184	617
Valuation Adjustments			
Other Manpower (Note 2)	-	34	-
	20,734	27,300	24,324
NET OPERATING RESULTS	$ -	$ 941	$ (769)

The accompanying notes and schedules are part of these financial statements.

Sun Country Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ 107	$ -
Accounts Receivable (Note 5)	1,593	1,903
Advances	-	5
	$ 1,700	$ 1,908
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,528	$ 2,677
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(769)	-
Net Operating Results	941	(769)
Net Assets (Liabilities) at End of Year	172	(769)
	$ 1,700	$ 1,908

The accompanying notes and schedules are part of these financial statements.

Sun Country Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 941	$ (769)
Non-Cash Item		
Valuation Adjustments	34	-
	975	(769)
Decrease (Increase) in Accounts Receivable	310	(1,903)
Decrease (Increase) in Advances	5	(5)
Increase (Decrease) in Accounts Payable (a)	(1,183)	2,677
Cash Provided (Used) by Operating Transactions	107	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 107	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Sun Country Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

Sun Country Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is Sun Country Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision of other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable and advances are recorded at carrying values, which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as $1,593 and accounts payable and accrued liabilities recorded as $1,528 in these financial statements are subject to measurement uncertainty. Management has estimated the amount due for recoveries for Resident on Reserve from the Department and the amounts owed for expenses for daycare, child welfare and Board expenses as at March 31, 2001. These estimates were based on the past month (February 2001) and average monthly actual recoveries and expenses.

Sun Country Child and Family Services Authority

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $601 (1999-2000 $580 increase), increase accounts receivable by $601 (1999-2000 $580 increase), increase the grant from the Department of Children's Services by $64 (1999-2000 $13 increase), and increase expenses by $64 (1999-2000 $13 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 20,734
Additional funding provided for the current year	2,988
Additional funding provided to eliminate the prior year deficit	769
Grant for the Year	$ 24,491

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 1,537	$ 1,836
CFSA's	56	31
Other	-	36
	$ 1,593	$ 1,903

Sun Country Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Accrued Other Manpower Expenses	$ 616	$ 750
Department of Children's Services	-	1,100
Trade Payable	871	607
CFSA's	41	220
	$ 1,528	$ 2,677

Note 7 Commitments

As at March 31, 2001 the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 129	$ 231

(a) The Authority leases vehicles under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 92
2003	$ 23
2004	$ 11
2005	$ 3

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Sun Country Child and Family Services Authority

EXPENSES DETAILED BY OBJECT **SCHEDULE 1**

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower (a)	$ 4,022	$ 6,974	$ 6,152
Supplies and services	12,710	16,656	14,642
Grants	4,002	3,293	3,309
Inter-Authority Services	-	343	221
Valuation Adjustment	-	34	-
	$ 20,734	$ 27,300	$ 24,324

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $30,000 (2000 - $13,000) in achievement bonuses for management and non-union staff.

Sun Country Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year Ended March 31, 2001

(in thousands)

	2001			2000
	Salary(1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 26	$ -	$ 26	$ 21
Co-Chair of the Authority	$ 26	$ -	$ 26	$ 19
Board Members (8 members)	$ 61	$ -	$ 61	$ 55
Chief Executive Officer (3) (4)	$ 98	$ 39	$ 137	$ 95

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

(3) Benefits and allowances include vacation payouts to the former CEO of $21,000 (2000 - $6,000)

(4) The position of CEO was occupied by two individuals during the year. The previous incumbent retired on May 31, 2000.

Sun Country Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 24,491	$ 20,662	$ -	$ -
Recoveries - Resident on Reserves	3,407	2,672	-	-
Recoveries - Inter-Authority Services	343	221	-	-
	$ 28,241	$ 23,555	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 239	$ 248	$ -	$ -
	$ 239	$ 248	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO) NET				
Department of Children's Services	$ 1,537	$ 736	$ -	$ -
Windsong Child and Family Services Authority	16	19	-	-
Rocky View Child and Family Services Authority	15	(213)	-	-
Hearthstone Child and Family Services Authority	(1)	-	-	-
Diamond Willow Child and Family Services Authority	(2)	-	-	-
Ribstone Child and Family Services Authority	(4)	-	-	-
Ma'Mowe Capital Region Child and Family Services Authority	(9)	-	-	-
Awasak Child and Family Services Authority	-	5	-	-
	$ 1,552	$ 547	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 727	$ 515
Legal Services	95	99
	$ 822	$ 614

Sun Country Child and Family Services Authority

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 18,204	$ 640	$ 95	$ 30	$ -	$ 18,969	$ 17,414
Day Care	3,703	32	-	2	-	3,737	3,757
Handicapped Children's Services	2,194	19	-	1	-	2,214	1,607
Early Intervention Services	1,171	26	-	1	-	1,198	864
Prevention of Family Violence	1,184	5	-	-	-	1,189	617
Inter-Authority Services	343	-	-	-	-	343	221
Board Governance and Core Administration	467	5	-	-	-	472	458
	$ 27,266	$ 727	$ 95	$ 34	$ -	$ 28,122	$ 24,938

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

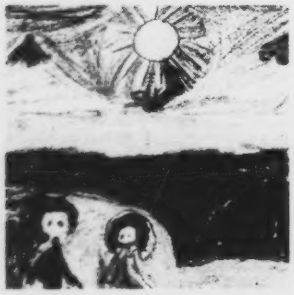

Illustration by Mason (age 7)

Southeast Alberta

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Southeast Alberta Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Southeast Alberta Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 16, 2001

Southeast Alberta Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 11,837	$ 13,963	$ 11,106
Recoveries - Resident on Reserve	-	12	4
Recoveries - Inter-Authority Services	-	31	9
	11,837	14,006	11,119
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	563	418
Child Welfare	7,170	7,214	6,528
Handicapped Children's Services	1,809	1,840	1,509
Day Care	1,545	2,223	2,123
Inter-Authority Services	-	31	9
Other	716		
Early Intervention	-	966	817
Prevention of Family Violence	-	372	314
Valuation Adjustments			
Other Manpower (Note 2)	-	35	-
	11,837	13,244	11,718
NET OPERATING RESULTS	$ -	$ 762	$ (599)

The accompanying notes and schedules are part of these financial statements.

Southeast Alberta Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
ASSETS		
Cash	$ 777	$ -
Accounts Receivable (Note 5)	285	252
Advances	3	4
	$ 1,065	$ 256
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 902	$ 855
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(599)	-
Net Operating Results	762	(599)
Net Assets (Liabilities) at End of Year	163	(599)
	$ 1,065	$ 256

The accompanying notes and schedules are part of these financial statements.

Southeast Alberta Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 762	$ (599)
Non-Cash Item		
Valuation Adjustments	35	
	797	(599)
Decrease (Increase) in Accounts Receivable	(33)	(252)
Decrease (Increase) in Advances	1	(4)
Increase (Decrease) in Accounts Payable [a]	12	855
Cash Provided (Used) by Operating Transactions	777	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 777	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Southeast Alberta Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Southeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Southeast Alberta Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Southeast Alberta Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision of other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $11,837,000 on February 17, 2000.

Measurement Uncertainty

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accrued liabilities recorded as $587,044 in these financial statements are subject to measurement uncertainty. The accrued liabilities consist of wages and worker's compensation, Child Welfare expenses and Day Care expenses. These accruals were estimated by management based on prior history of these items and other information available to them. The actual amount could vary significantly from the estimate.

Southeast Alberta Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $272 (1999-2000 $245 increase), increase accounts receivable by $272 (1999-2000 $245 increase), increase the grant from the Department of Children's Services by $49 (1999-2000 $7 increase), and increase expenses by $49 (1999-2000 $7 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 11,837
Additional funding provided for the current year	1,527
Additional funding provided to eliminate the prior year deficit	599
Grant for the Year	$ 13,963

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 271	$ 245
CFSAs	1	-
Other Entities	13	7
	$ 285	$ 252

Southeast Alberta Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 17	$ 123
Accrued Other Manpower Expenses	280	323
Trade	579	409
CFSAs	26	-
	$ 902	$ 855

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 39	$ 66

(a) The Authority leases vehicles under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 24
2003	$ 12
2004	$ 3

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Southeast Alberta Child and Family Services Authority

EXPENSES DETAILED BY OBJECT **SCHEDULE 1**

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
Manpower (a)	$ 2,273	$ 3,455	$ 2,957
Supplies and services	7,279	7,672	6,788
Grants	2,285	2,051	1,964
Inter-Authority Services	-	31	9
Valuation Adjustment	-	35	-
	$ 11,837	$ 13,244	$ 11,718

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $15,000 (2000 - $7,000) in achievement bonuses for management and non-union staff.

Southeast Alberta Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary(1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 17	$ -	$ 17	$ 12
Co-Chair of the Authority	$ 8	$ -	$ 8	$ 5
Board Members (8 members)	$ 51	$ -	$ 51	$ 45
Chief Executive Officer	$ 89	$ 15	$ 104	$ 102

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health-care, dental coverage, group life insurance, and long and short term disability plans.

Southeast Alberta Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 13,963	$ 11,106	$ -	$ -
Recoveries - Resident on Reserves	12	4	-	-
Recoveries - Inter-Authority Services	31	9	-	-
	$ 14,006	$ 11,119	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 42	$ 24	$ -	$ -
	$ 42	$ 24	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 254	$ 122	$ -	$ -
Calgary Rocky View CFSA	(8)	-	-	-
Hearthstone CFSA	(1)	-	-	-
Diamond Willow CFSA	(3)	-	-	-
Ribstone CFSA	(5)	-	-	-
Ma'mowe Capital Region CFSA	(9)	-	-	-
Region #13 CFSA	1	-	-	-
	$ 229	$ 122	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 429	$ 372
Legal Services	38	45
	$ 467	$ 417

Southeast Alberta Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 7,214	$ 361	$ 38	$ 29	$ -	$ 7,642	$ 6,896
Day Care	2,223	18	-	1	-	2,242	2,141
Handicapped Children's Services	1,840	15	-	2	-	1,857	1,513
Early Intervention Services	966	-	-	-	-	966	817
Prevention of Family Violence	372	-	-	-	-	372	314
Inter-Authority Services	31	-	-	-	-	31	9
Board Governance and Core Administration	563	35	-	3	-	601	445
	$ 13,209	$ 429	$ 38	$ 35	$ -	$ 13,711	$ 12,135

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations.
The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

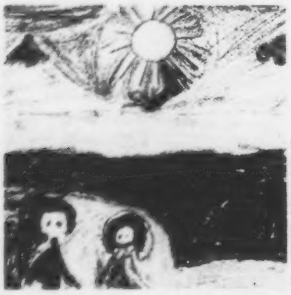

Illustration by Mason (age 7)

Windsong

CHILD AND FAMILY SERVICES AUTHORITY

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MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Windsong Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Windsong Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effects of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 18, 2001

Windsong Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001 Budget	2001 Actual	2000 Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 6,376	$ 6,749	$ 6,095
Recoveries - Resident on Reserve	-	472	58
Recoveries - Inter-Authority Services	-	979	393
Miscellaneous Revenue	-	136	-
	6,376	8,336	6,546
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	225	267
Program Support	-	5	-
Child Welfare	4,112	4,875	4,061
Handicapped Children's Services	607	877	541
Day Care	886	502	392
Inter-Authority Services	-	979	393
Other	411		
Early Intervention	-	726	370
Prevention of Family Violence	-	107	96
Valuation Adjustments			
Other Manpower (Note 2)	-	32	-
	6,376	8,328	6,120
NET OPERATING RESULTS	$ -	$ 8	$ 426

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ 106	$ -
Accounts Receivable (Note 5)	878	1,137
	$ 984	$ 1,137
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 550	$ 711
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	426	-
Net Operating Results	8	426
Net Assets (Liabilities) at End of Year	434	426
	$ 984	$ 1,137

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 8	$ 426
Non-Cash Item		
Valuation Adjustments	32	-
	40	426
Decrease (Increase) in Accounts Receivable	259	(1,137)
Increase (Decrease) in Accounts Payable [(a)]	(193)	711
Cash Provided by Operating Transactions	106	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 106	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Windsong Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999, and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Windsong Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Windsong Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments (other manpower) present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash and accounts receivable are recorded at carrying values which approximate fair values. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $6,376,000 on April 11, 2000.

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $78 (1999-2000 increase $49), increase accounts receivable by $78 (1999-2000 increase $49), increase the grant from the Department of Children's Services by $35 (1999-2000 increase $3), and increase expenses by $35 (1999-2000 increase $3).

Note 3 Accounting Policy and Reporting Practice Changes (Continued)

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	6,376
Additional funding provided for the current year		799
Reduction in funding to reduce the prior year surplus		(426)
Grant for the Year	$	6,749

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities.

(in thousands)	**2001**	2000
Department of Children's Services	$ 598	$ 1,105
Other Authorities	280	32
	$ 878	$ 1,137

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

(in thousands)	**2001**	2000
Child and Family Services Authorities	$ 54	$ 175
Department of Children's Services	8	-
Other	488	536
	$ 550	$ 711

Windsong Child and Family Services Authority

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands) **2001**	2000
Long-term leases (a)	$ 48	$ 63

(a) The Authority leases vehicles under operating leases that expire on various dates to August 1, 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 28
2003	$ 13
2004	$ 5
2005	$ 2

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Windsong Child and Family Services Authority

EXPENSES DETAILED BY OBJECT **SCHEDULE 1**

For the year ended March 31, 2001

(in thousands)

	2001 Budget	2001 Actual	2000 Actual (restated - note 3)
Manpower (a)	$ 1,224	$ 1,241	$ 944
Supplies and services	3,921	5,625	4,416
Grants	1,231	451	366
Inter-Authority Services	-	979	393
Other	-	32	1
	$ 6,376	$ 8,328	$ 6,120

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $3,000 (2000 - $3,000) in achievement bonuses for management and non-union staff.

Windsong Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

	(in thousands)			
	2001			2000
	Salary (1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 14	$ -	$ 14	$ 19
Co-Chair of the Authority	$ 6	$ -	$ 6	$ 41
Board Members (2001 - 5 members)				
(2000 - 7 members)	$ 38	$ -	$ 38	$ 52
Chief Executive Officer (2 in 2000)	$ 73	$ 2	$ 75	$ 69

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance and long and short term disability plans.

Windsong Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 6,749	$ 6,095	$ -	$ -
Recoveries - Resident on Reserves	472	58	-	-
Recoveries - Inter-Authority Services	979	393	-	-
Department of Children's Services	50	-	-	-
	$ 8,250	$ 6,546	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 462	$ 254	$ -	$ -
	$ 462	$ 254	$ -	$ -
RECEIVABLE FROM				
Department of Children's Services	$ 598	$1,105	$ -	$ -
Sun Country Child and Family Services Authority	6	-	-	-
Calgary Rocky View Child and Family Services Authority	270	32	-	-
Hearthstone Child and Family Services Authority	1	-	-	-
West Yellowhead Child and Family Services Authority	3	-	-	-
	$ 878	$ 1,137	$ -	$ -
PAYABLE TO				
Department of Children's Services	$ 8	$ -	$ -	$ -
Sun Country Child and Family Services Authority	17	-	-	-
Calgary Rocky View Child and Family Services Authority	35	175	-	-
Ribstone Child and Family Services Authority	2	-	-	-
	$ 62	$ 175	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 121	$ 207
Legal Services	25	27
	$ 146	$ 234

Windsong Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

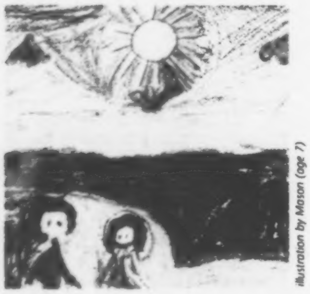
	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 4,875	$ 102	$ 25	$ 27	$ -	$ 5,029	$ 4,278
Day Care	502	5	-	1	-	508	392
Handicapped Children's Services	877	10	-	3	-	890	541
Early Intervention Services	726	-	-	-	-	726	370
Prevention of Family Violence	107	-	-	-	-	107	96
Inter-Authority Services	979	-	-	-	-	979	393
Program Support	5	-	-	-	-	5	-
Board Governance and Core Administration	225	4	-	1	-	230	284
	$ 8,296	$ 121	$ 25	$ 32	$ -	$ 8,474	$ 6,354

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations represents accrued vacation pay including employee benefits due to all employees assigned to a program.



Calgary Rocky View

CHILD AND FAMILY SERVICES AUTHORITY

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Calgary Rocky View Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Calgary Rocky View Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Calgary Rocky View Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	2001 Budget	2001 Actual	2000 Actual (restated - Note 3)
	(in thousands)		
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 120,209	$ 124,606	$ 111,190
Recoveries - Resident on Reserve	-	1,328	935
Recoveries - Inter-Authority Services	-	593	618
Miscellaneous Revenue (Note 8)	150	1,158	-
	120,359	127,685	112,743
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	850	828	765
Program Support	-	653	-
Child Welfare	82,272	85,014	75,875
Handicapped Children's Services	11,290	16,170	12,469
Day Care	17,727	16,513	17,225
Inter-Authority Services	-	593	618
Other	8,220		
Early Intervention	-	4,705	3,145
Prevention of Family Violence	-	2,432	1,661
Mediation and Court Services	-	-	217
Valuation Adjustments			
Other Manpower (Note 2)	-	152	114
	120,359	127,060	112,089
NET OPERATING RESULTS	$ -	$ 625	$ 654

The accompanying notes and schedules are part of these financial statements.

Calgary Rocky View Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
ASSETS		
Cash	$ 7,057	$ -
Accounts Receivable (Note 5)	3,388	9,486
	$ 10,445	$ 9,486
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 9,166	$ 8,832
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	654	-
Net Operating Results	625	654
Net Assets (Liabilities) at End of Year	1,279	654
	$ 10,445	$ 9,486

The accompanying notes and schedules are part of these financial statements.

Calgary Rocky View Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 625	$ 654
Non-Cash Item		
Valuation Adjustments	152	114
	777	768
Decrease (Increase) in Accounts Receivable	6,098	(2,675)
Increase (Decrease) in Accounts Payable[(a)]	182	1,907
Cash Provided by Operating Transactions	7,057	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 7,057	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Calgary Rocky View Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Calgary Rocky View Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1998 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Calgary Rocky View Child and Family Services Authority, which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves, and in conjunction with third party agreements.

Monetary donations received from external sources are recorded as revenue when received.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision of other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash and accounts receivable are recorded at carrying values which approximate fair values.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $120,359,000 on April 23, 2000.

Calgary Rocky View Child and Family Services Authority

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 1999, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $1,966 (1999-2000 $1,868 increase), increase accounts receivable by $1,966 (1999-2000 $1,868 increase), increase the grant from the Department of Children's Services by $257 (1999-2000 $167 increase), and increase expenses by $257 (1999-2000 $167 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 120,359
Additional funding provided for the current year	4,901
Reduction in funding to reduce the prior year's surplus	(654)
Grant for the Year	$ 124,606

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Service Authorities and the remaining transactions are with other related parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 2,406	$ 8,837
Inter-Authority Receivables	93	553
Other Ministries	889	96
	$ 3,388	$ 9,486

Calgary Rocky View Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ -	$ 294
Inter-Authority Payable	515	257
Other	8,651	8,281
	$ 9,166	$ 8,832

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 52	$ 21

(a) The Authority leases vehicles under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 24
2003	$ 15
2004	$ 9
2005	$ 4

Note 8 Third Party Agreements (in thousands)

Effective April 1, 2000, the Authority entered into three third party agreements with Human Resources and Employment ($230); and Learning ($928); for various program services. The revenues and expenses resulting from these agreements are included in the financial statements.

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Calgary Rocky View Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower[a]	$ 23,080	$ 20,725	$ 17,714
Supplies and services	73,929	91,066	78,418
Grants	23,200	14,474	15,188
Inter-Authority Services	-	593	618
Other	150	202	151
	$ 120,359	$ 127,060	$ 112,089

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $110,000 (2000 - $53,000) in achievement bonuses for management and non-union staff.

Calgary Rocky View Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chair of the Authority	$ 9	$ -	$ 9	$ 10
Co-Chair of the Authority	$ 13	$ -	$ 13	$ 10
Board Members (2001 - 11 members) (2000 - 10 members)	$ 31	$ -	$ 31	$ 23
Chief Executive Officer(3)	$ 132	$ 5	$ 137	$ 122

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) Automobile provided to the CEO, no dollar amount included in benefit and allowances.

Calgary Rocky View Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 124,606	$ 111,190	$ -	$ -
Recoveries - Resident on Reserves	1,328	935	-	-
Recoveries - Inter-Authority Services	593	618	-	-
Ministries of Human Resources & Employment and Learning	-	-	1,158	-
	$ 126,527	$ 112,743	$ 1,158	$ -
EXPENSES				
Inter-Authority Services	$ 1,452	$ 563	$ -	$ -
Ministry of Human Resources and Employment	-	-	230	-
Ministry of Learning	-	-	928	-
Ministry of Justice	-	-	20	-
	$ 1,452	$ 563	$ 1,178	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 2,406	$ 8,543	$ -	$ -
Various Authorities	-	296	-	-
Sun Country Child and Family Services Authority	(15)	-	-	-
Southeast Alberta Child and Family Services Authority	9	-	-	-
Windsong Child and Family Services Authority	(292)	-	-	-
Hearthstone Child and Family Services Authority	(79)	-	-	-
Diamond Willow Child and Family Services Authority	(12)	-	-	-
Ribstone Child and Family Services Authority	(11)	-	-	-
West Yellowhead Child and Family Services Authority	9	-	-	-
Ma Mowe Child and Family Services Authority	(42)	-	-	-
Sakaigun Asky Child and Family Services Authority	9	-	-	-
Keystone Child and Family Services Authority	1	-	-	-
Regional Authority #14	1	-	-	-
Ministry of Learning	-	-	676	-
Ministry of Human Resources and Employment	-	-	230	-
	$ 1,984	$ 8,839	$ 906	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 3,360	$ 2,122
Legal Services	443	514
	$ 3,803	$ 2,636

Calgary Rocky View Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

	(in thousands)						
	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 85,014	$ 2,866	$ 443	$ 131	$ -	$ 88,454	$ 78,248
Day Care	16,513	209	-	9	-	16,731	17,371
Handicapped Children's Services	16,170	188	-	8	-	16,366	12,599
Early Intervention Services	4,705	-	-	-	-	4,705	3,145
Prevention of Family Violence	2,432	7	-	-	-	2,439	1,661
Inter-Authority Services	593	-	-	-	-	593	618
Board Governance and Core Administration	828	90	-	4	-	922	813
Program Support	653	-	-	-	-	653	-
Mediation and Court Services	-	-	-	-	-	-	270
	$ 126,908	$ 3,360	$ 443	$ 152	$ -	$ 130,863	$ 114,725

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Illustration by Mason (age 7)

Hearthstone

CHILD AND FAMILY SERVICES AUTHORITY

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MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Hearthstone Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Hearthstone Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Hearthstone Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 5,648	$ 6,757	$ 5,253
Recoveries - Resident on Reserve	-	109	56
Recoveries - Inter-Authority Services	-	314	164
Transfer from Lottery Fund	-	3	-
Miscellaneous Revenue	-	17	-
	5,648	7,200	5,473
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	271	232
Program Support	-	231	-
Child Welfare	3,336	4,055	3,293
Handicapped Children's Services	900	1,040	876
Day Care	719	381	349
Inter-Authority Services	-	314	164
Other	333		
Early Intervention	-	375	511
Prevention of Family Violence	-	253	194
Valuation Adjustments			
Other Manpower (Note 2)	-	52	-
	5,648	6,972	5,619
NET OPERATING RESULTS	$ -	$ 228	$ (146)

The accompanying notes and schedules are part of these financial statements.

Hearthstone Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ 265	$ -
Accounts Receivable (Note 5)	414	658
Advances	-	1
	$ 679	$ 659
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 597	$ 805
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(146)	-
Net Operating Results	228	(146)
Net Assets (Liabilities) at End of Year	82	(146)
	$ 679	$ 659

The accompanying notes and schedules are part of these financial statements.

Hearthstone Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 228	$ (146)
Non-Cash Item		
Valuation Adjustments	52	-
	280	(146)
Decrease (Increase) in Accounts Receivable	244	(658)
Decrease (Increase) in Advances	1	(1)
(Decrease) Increase in Accounts Payable[a]	(260)	805
Cash Provided by Operating Transactions	265	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 265	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Hearthstone Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Hearthstone Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Hearthstone Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Hearthstone Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $5,648,000 on April 8, 2000.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Surplus Retention Reserve Accounts Receivables recorded as $17 in these financial statements is subject to measurement uncertainty. Final evaluation of Agency Surpluses cannot be determined until the Agency year end. Estimates are based on projected program expenditures. The actual amount could vary significantly from that estimated.

Hearthstone Child and Family Services Authority

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $133 (1999-2000 increase of $91), increase accounts receivable by $133 (1999-2000 increase of $91), increase the grant from the Department of Children's Services by $69 (1999-2000 increase of $9), and increase expenses by $69 (1999-2000 increase of $9).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	5,648
Additional funding provided for the current year		963
Additional funding provided to eliminate the prior year deficit		146
Grant for the Year	$	6,757

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)			
		2001		2000
Ministry of Children's Services	$	328	$	658
Due from outside sources		86		-
	$	414	$	658

Hearthstone Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 80	$ 143
Accrued Other Manpower Expenses	136	81
Trade Payable	381	581
	$ 597	$ 805

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 121	$ 159

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 59
2003	$ 36
2004	$ 24
2005	$ 2

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of the Financial Statements

The financial statements have been approved by the Authority.

Hearthstone Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower[(a)]	$ 1,618	$ 1,675	$ 1,124
Supplies and services	3,670	4,597	4,011
Grants	360	334	320
Inter-Authority Services	-	314	164
Other	-	52	-
	$ 5,648	$ 6,972	$ 5,619

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $17,016 (2000 - $9,381) in achievement bonuses for management and non-union staff.

Hearthstone Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary(1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority(3)	$ 47	$ -	$ 47	$ 42
Board Members (6 members)	$ 32	$ -	$ 32	$ 29
Chief Executive Officer	$ 79	$ 14	$ 93	$ 80

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

(3) The Authority is structured to have two Co-Chair positions. At the end of the year, only one Co-Chair position was filled

Hearthstone Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulations for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 6,757	$ 5,253	$ -	$ -
Recoveries - Resident on Reserves	109	56	-	-
Recoveries - Inter-Authority Services	314	164	-	-
Transfer from Lottery Fund	-	-	3	-
	$ 7,180	$ 5,473	$ 3	$ -
EXPENSES				
Inter-Authority Services	$ 308	$ 335	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 197	$ 575	$ -	$ -
Department of Human Resources and Employment	-	-	(1)	-
Windsong Child and Family Services Authority	(5)	2	-	-
Calgary Rockyview Child and Family Services Authority	80	19	-	-
Ribstone Child and Family Services Authority	30	(91)	-	-
Diamond Willow Child and Family Services Authority	(55)	(11)	-	-
Southeast Alberta Child and Family Services Authority	1	-	-	-
Silver Birch Child and Family Services Authority	(2)	-	-	-
Sun Country Child and Family Services Authority	2	-	-	-
Sakaw-askiy Child and Family Services Authority	1	-	-	-
	$ 249	$ 494	$ (1)	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 226	$ 302
Legal Services	21	22
	$ 247	$ 324

Hearthstone Child and Family Services Authority

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments[4]			
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 4,055	$ 165	$ 21	$ 38	$ -	$ 4,279	$ 3,572
Day Care	381	6	-	1	-	388	349
Handicapped Children's Services	1,040	11	-	3	-	1,054	894
Early Intervention Services	375	-	-	-	-	375	511
Prevention of Family Violence	253	-	-	-	-	253	194
Inter-Authority Services	314	-	-	-	-	314	164
Program Support	231	31	-	7	-	269	-
Board Governance and Core Administration	271	13	-	3	-	287	259
	$ 6,920	$ 226	$ 21	$ 52	$ -	$ 7,219	$ 5,943

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

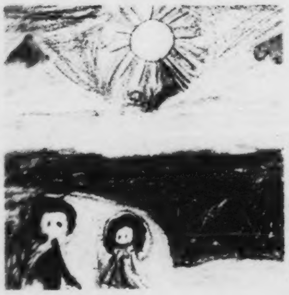

Illustration by Mason (age 7)

Diamond Willow

CHILD AND FAMILY SERVICES AUTHORITY

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MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Diamond Willow Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Diamond Willow Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Diamond Willow Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 22,365	$ 25,870	$ 19,840
Recoveries - Resident on Reserve	-	397	485
Recoveries - Inter-Authority Services	-	717	328
Miscellaneous Revenue	-	177	-
	$ 22,365	$ 27,161	$ 20,653
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	602	867
Program Support	-	1,687	-
Child Welfare	14,506	14,951	10,834
Handicapped Children's Services	2,688	3,939	3,492
Day Care	3,125	3,503	3,305
Inter-Authority Services	-	717	328
Other	1,449		
Early Intervention	-	1,225	1,099
Prevention of Family Violence	-	640	505
Valuation Adjustments			
Other Manpower (Note 2)	-	73	-
	22,365	27,337	20,430
NET OPERATING RESULTS	$ -	$ (176)	$ 223

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
ASSETS		
Cash	$ 1,634	$ -
Accounts Receivable (Note 5)	1,204	2,655
Advances	3	2
	$ 2,841	$ 2,657
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 2,794	$ $2,434
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	223	-
Net Operating Results	(176)	223
Net Assets (Liabilities) at End of Year	47	223
	$ 2,841	$ 2,657

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	 2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (176)	$ 223
Non-Cash Item		
Valuation Adjustments	73	-
	(103)	223
Decrease (Increase) in Accounts Receivable	1,451	(2,655)
Decrease (Increase) in Advances	(1)	(2)
Increase (Decrease) in Accounts Payable[(a)]	287	2,434
Cash Provided (Used) by Operating Transactions	1,634	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 1,634	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Diamond Willow Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Diamond Willow Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $22,365,000 on January 27, 2000.

Diamond Willow Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Measurement Uncertainty

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Surplus Retention Reserve Accounts Receivable recorded as $312,540 in these financial statements is subject to measurement uncertainty. Final evaluation of Agency Surpluses can not be determined until the Agency year end. Estimates are based on projected program expenditures.

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $73 (1999-2000 $425), increase accounts receivable by $73 (1999-2000 $425), increase the grant from the Department of Children's Services by $73 (1999-2000 $425), and increase expenses by $73 (1999-2000 $425).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	22,365
Additional funding provided for the current year		3,728
Reduction in funding to reduce the prior year surplus		(223)
Grant for the Year	$	25,870

Diamond Willow Child and Family Services Authority

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 880	$ 2,655
Trade Receivable	324	-
	$ 1,204	$ 2,655

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 198	$ 631
Accrued Other Manpower Expenses	499	426
Trade Payable	2,097	1,377
	$ 2,794	$ 2,434

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 124	$ 167

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 47
2003	$ 34
2004	$ 43

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Diamond Willow Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower[(a)]	$ 4,294	$ 5,445	$ 4,906
Supplies and services	13,710	18,182	12,245
Grants	4,316	2,920	2,951
Inter-Authority Services	-	717	328
Other	45	73	-
	$ $22,365	$ $27,337	$ 20,430

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $46,345 (2000 - $24,896) in achievement bonuses for management and non-union staff.

Diamond Willow Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary(1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 13	$ -	$ 13	$ 17
Co-Chair of the Authority	$ 24	$ -	$ 24	$ 10
Board Members (10 members)	$ 67	$ -	$ 67	$ 56
Chief Executive Officer	$ 89	$ 24	$ 113	$ 103

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, healthcare, dental coverage, group life insurance, long and short term disability plans.

Diamond Willow Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 25,870	$ 19,840	$ -	$ -
Recoveries - Resident on Reserves	397	485	-	-
Recoveries - Inter-Authority Services	717	328	-	-
	$ 26,984	$ 20,653	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 273	$ 345	$ -	$ -
	$ 273	$ 345	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 586	$ 2,006	$ -	$ -
Calgary/Rockyview Child and Family Services Authority	15	8	-	-
Hearthstone Child and Family Services Authority	46	10	-	-
Ribstone Child and Family Services Authority	3	-	-	-
Keystone Child and Family Services Authority	87	-	-	-
Ma Mowe Child and Family Services Authority	(56)	-	-	-
Child and Family Services Authority #14	2	-	-	-
	$ 683	$ 2,024	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 738	$ 558
Legal Services	80	71
	$ 818	$ 629

Diamond Willow Child and Family Services Authority

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 14,951	$ 578	$ 80	$ 58	$ -	$ 15,667	$ 11,320
Day Care	3,503	48	-	5	-	3,556	3,349
Handicapped Children's Services	3,939	63	-	6	-	4,008	3,536
Early Intervention Services	1,225	3	-	-	-	1,228	1,099
Prevention of Family Violence	640	-	-	-	-	640	505
Inter-Authority Services	717	-	-	-	-	717	328
Program Support	1,687	22	-	2	-	1,711	-
Board Governance and Core Administration	602	24	-	2	-	628	922
	$ 27,264	$ 738	$ 80	$ 73	$ -	$ 28,155	$ 21,059

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

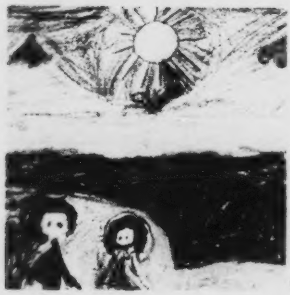

illustration by Mason (age 7)

Ribstone

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Ribstone Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Ribstone Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Ribstone Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 10,633	$ 10,745	$ 9,091
Recoveries - Resident on Reserve	-	380	246
Recoveries - Inter-Authority Services	-	145	111
Miscellaneous Revenue	-	67	-
	$ 10,633	$ 11,337	$ 9,448
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	464	419
Program Support	-	910	-
Child Welfare	6,876	5,641	5,378
Handicapped Children's Services	992	2,173	1,399
Day Care	1,481	1,277	1,083
Inter-Authority Services	-	145	111
Other	687		
Early Intervention	-	131	589
Prevention of Family Violence	-	533	443
Mediation and Court Services	-	-	4
Valuation Adjustments			
Other Manpower (Note 2)	-	33	-
	10,633	11,307	9,426
NET OPERATING RESULTS	$ -	$ 30	$ 22

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
ASSETS		
Cash	$ 141	$ -
Accounts Receivable (Note 5)	637	583
	$ 778	$ 583
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 726	$ 561
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	22	-
Net Operating Results	30	22
Net Assets (Liabilities) at End of Year	52	22
	$ 778	$ 583

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	 2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 30	$ 22
Non-Cash Item		
Valuation Adjustments	33	-
	63	22
Decrease (Increase) in Accounts Receivable	(54)	(583)
Increase (Decrease) in Accounts Payable[a]	132	561
Cash Provided (Used) by Operating Transactions	141	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 141	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

Note 1 Authority and Purpose

The Ribstone Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Ribstone Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues
Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses
Directly Incurred
Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Ribstone Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision of other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash and accounts receivables are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $10,633,000 in January, 2000.

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $177 (1999-2000, increase by $154), increase accounts receivable by $177 (1999-2000, increase by $154), increase the grant from the Department of Children's Services by $54 (1999-2000, increase by $9), and increase expenses by $54 (1999-2000, increase by $9).

Ribstone Child and Family Services Authority

Note 3 Accounting Policy and Reporting Practice Changes (Continued)

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	10,633
Additional funding provided for the current year		468
Reduction in funding for the current year		(334)
Reduction in funding to reduce the prior year surplus		(22)
Grant for the Year	$	10,745

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)			
	2001		2000	
Ministry of Children's Services	$	564	$	583
Refunds from Suppliers		73		-
	$	637	$	583

Note 6 Accounts Payable and Accrued Liabilities (in thousands)

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

The accounts payable and accrued liabilities recorded as $726 for 2000/2001 and $561 for 1999/2000 in these financial statements are subject to measurement uncertainty. The expenditures accrued at year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

	(in thousands)			
	2001		2000	
Ministry of Children's Services	$	174	$	100
Accrued Other Manpower Expenses		192		154
Trade Payable		360		307
	$	726	$	561

Ribstone Child and Family Services Authority

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands) **2001**
Long-term leases (a)	$ 139

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 83
2003	$ 37
2004	$ 19

Note 8 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Ribstone Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

For the year ended March 31, 2001

SCHEDULE 1

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower(a)	$ 2,042	$ 2,547	$ 1,992
Supplies and services	6,539	6,072	6,416
Grants	2,052	2,509	906
Inter-Authority Services	-	145	111
Other	-	33	1
	$ 10,633	$ 11,306	$ 9,426

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $21,000 (2000 - $8,000) in achievement bonuses for management and non-union staff.

Ribstone Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the Year ended March 31, 2001

		(in thousands)		
	2001			2000
	Salary(1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 19	$ -	$ 19	$ 11
Co-Chair of the Authority	$ 25	$ -	$ 25	$ 22
Board Members(3)	$ 36	$ -	$ 36	$ 31
Chief Executive Officer	$ 96	$ 5	$ 101	$ 90

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, healthcare, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) 7 board members, 1 vacant.

Ribstone Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 10,745	$ 9,091	$ -	$ -
Recoveries - Resident on Reserves	380	246	-	-
Recoveries - Inter-Authority Services	145	111	-	-
Miscellaneous Revenue	3	-	-	-
	$ 11,273	$ 9,448	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 368	$ 108	$ -	$ -
	$ 368	$ 108	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 372	$ 154	$ -	$ -
Windsong Child and Family Services Authority	2	-	-	-
Rocky View Child and Family Services Authority	11	-	-	-
Hearthstone Child and Family Services Authority	(53)	-	-	-
Diamond Willow Child and Family Services Authority	(3)	-	-	-
West Yellowhead Child and Family Services Authority	7	-	-	-
Keystone Child and Family Services Authority	27	-	-	-
Ma'Mowe Child and Family Services Authority	21	-	-	-
Sakaigun Asky Child and Family Services Authority	6	-	-	-
CFSA's general	-	329	-	-
	$ 390	$ 483	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements, but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 796	$ 192
Legal Services	29	36
	$ 825	$ 228

Ribstone Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments[4]			
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 5,640	$ 567	$ 29	$ 24	$ -	$ 6,260	$ 5,596
Day Care	1,277	51	-	2	-	1,330	1,083
Handicapped Children's Services	2,173	100	-	4	-	2,277	1,399
Early Intervention Services	131	-	-	-	-	131	589
Prevention of Family Violence	533	-	-	-	-	533	443
Inter-Authority Services	145	-	-	-	-	145	111
Board Governance and Core Administration	464	64	-	3	-	531	429
Program Support	910	13	-	1	-	924	-
Mediation and Court Services	-	-	-	-	-	-	4
	$ 11,273	$ 795	$ 29	$ 34	$ -	$ 12,131	$ 9,654

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

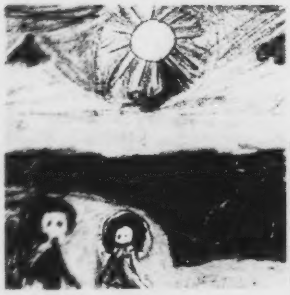

Illustration by Mason (age 7)

West Yellowhead

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the West Yellowhead Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the West Yellowhead Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

west yellowhead Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 10,723	$ 13,106	$ 11,241
Recoveries - Resident on Reserve	-	3,095	2,006
Recoveries - Inter-Authority Services	-	885	278
Miscellaneous Revenue	-	63	-
	10,723	17,149	13,525
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	392	319
Program Support	-	161	-
Child Welfare	7,167	11,711	9,836
Handicapped Children's Services	699	1,289	1,086
Day Care	1,544	1,345	1,172
Inter-Authority Services	-	885	278
Other	716		
Early Intervention	-	1,046	641
Prevention of Family Violence	-	428	410
Valuation Adjustments			
Other Manpower (Note 2)	-	52	-
	10,723	17,309	13,742
NET OPERATING RESULTS	$ -	$ (160)	$ (217)

The accompanying notes and schedules are part of these financial statements.

West Yellowhead Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ -	$ 2
Accounts Receivable (Note 5)	2,560	2,317
	$ 2,560	$ 2,319
LIABILITIES		
Bank Indebtedness (Note 6)	621	-
Accounts Payable and Accrued Liabilities (Note 7)	2,316	2,536
	$ 2,937	$ 2,536
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(217)	-
Net Operating Results	(160)	(217)
Net Assets (Liabilities) at End of Year	(377)	(217)
	$ 2,560	$ 2,319

The accompanying notes and schedules are part of these financial statements.

West Yellowhead Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (160)	$ (217)
Non-Cash Item		
Valuation Adjustments	52	-
	(108)	(217)
Decrease (Increase) in Accounts Receivable	(243)	(2,317)
Increase (Decrease) in Accounts Payable (a)	(272)	2,536
Cash Provided (Used) by Operating Transactions	(623)	2
CASH, BEGINNING OF YEAR	2	-
CASH, END OF YEAR	$ (621)	$ 2

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

West Yellowhead Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The West Yellowhead Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the West Yellowhead Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations received from external sources are recorded as revenue when received.

West Yellowhead Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employee contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivables, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $10,723,000 on May 25, 2000.

West Yellowhead Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $294,000 (1999-2000 $249,000), increase accounts receivable by $294,000 (1999-2000 $249,000), increase the grant from the Department of Children's Services by $76,000 (1999-2000 $7,000), and increase expenses by $76,000 (1999-2000 $7,000).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively and the affect on the 1999/2000 comparative figures is to increase accounts receivable, accounts payable, revenue, and expenditures by $682,000.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Original budget	$	10,723
Additional funding provided for the current year		2,166
Additional funding provided to eliminate the prior year deficit		217
Grant for the Year	$	13,106

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 2,552	$ 2,317
Other - Out of Province Ward	8	-
	$ 2,560	$ 2,317

Note 6 Bank Indebtedness

Any interest charges are recorded by the Department of Finance.

West Yellowhead Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 7 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

The accounts payable and accrued liabilities recorded as $2,316 for 2000/2001 and $2,536 for 1999/2000 in these financial statements are subject to measurement uncertainty. The expenditures accrued at year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 786	$ 1,585
Accrued Other Manpower Expenses	312	338
Trade Payable	1,218	613
	$ 2,316	$ 2,536

Note 8 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 98	$ 151

(a) The Authority leases certain vehicles under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 52
2003	$ 35
2004	$ 8
2005	$ 3

Note 9 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 10 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 11 Approval of Financial Statements

The financial statements have been approved by the Authority.

West Yellowhead Child and Family Services Authority

EXPENSES DETAILED BY OBJECT **SCHEDULE 1**

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower [(a)]	$ 2,059	$ 3,207	$ 2,648
Supplies and services	6,594	11,939	9,795
Grants	2,070	1,226	1,021
Inter-Authority Services	-	885	278
Other	-	52	-
	$ 10,723	$ 17,309	$ 13,742

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $23,000 (2000 - $7,000) in achievement bonuses for management and non-union staff.

West Yellowhead Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001						2000	
		Salary[1]		Benefits and Allowances[2]		Total		Total
Co-Chair of the Authority	$	21	$	-	$	21	$	15
Co-Chair of the Authority	$	18	$	-	$	18	$	12
Board Members (2001 - 3 members)	$	39	$	-	$	39	$	38
Chief Executive Officer	$	76	$	13	$	89	$	83

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance and long and short term disability plans, professional memberships and tuition fees.

west yellowhead Child and Family Services Authority

RELATED PARTY TRANSACTIONS **SCHEDULE 3**

For the period ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 13,106	$ 11,241	$ -	$ -
Recoveries - Resident on Reserves	3,095	2,006	-	-
Recoveries - Inter-Authority Services	885	278	-	-
Prior Year Revenue - REF	63	-	-	-
	$ 17,149	$ 13,525	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 1,581	$ 2,023	$ -	$ -
	$ 1,581	$ 2,023	$ -	$ -
RECEIVABLE FROM/PAYABLE TO				
Department of Children's Services	$ 1,797	$ 1,303	$ -	$ -
Windsong Child and Family Services Authority	(3)	-	-	-
Rocky View Child and Family Services Authority	(9)	(1)	-	-
Diamond Willow Child and Family Services Authority	(2)	-	-	-
Ribstone Child and Family Services Authority	(6)	-	-	
Keystone Child and Family Services Authority	1	-	-	-
Ma'Mowe Capital Region Child and Family Services Authority	(187)	(667)	-	-
Sakaw-Askiy Child and Family Services Authority	195	110	-	-
Sakaigun Asky Child and Family Services Authority	(9)	-	-	-
Region 13 Child and Family Services Authority	-	(2)	-	-
Region 14 Child and Family Services Authority	-	(3)	-	-
Awasak Child and Family Services Authority	(10)	-	-	-
Silver Birch Child and Family Services Authority	(1)	-	-	-
Human Resources and Employment	-	-	-	(8)
	$ 1,766	$ 740	$ -	$ (8)

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 304	$ 344
Legal Services	61	55
	$ 365	$ 399

west yellowhead Child and family Services Authority

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 11,711	$ 257	$ 61	$ 45	$ -	$ 12,074	$ 10,163
Day Care	1,345	8	-	1	-	1,354	1,182
Handicapped Children's Services	1,289	19	-	3	-	1,311	1,119
Early Intervention Services	1,046	2	-	-	-	1,048	646
Prevention of Family Violence	428	2	-	-	-	430	415
Inter-Authority Services	885	-	-	-	-	885	278
Program Support	161	4	-	1	-	166	-
Board Governance and Core Administration	392	12	-	2	-	406	338
	$ 17,257	$ 304	$ 61	$ 52	$ -	$ 17,674	$ 14,141

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

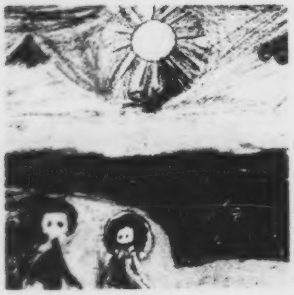

Illustration by Mason (age 7)

Keystone

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Keystone Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Keystone Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

The Authority's revenues include recoveries that should have been reported in the prior year for children normally resident on First Nations reserves. If the Authority had reported revenues in accordance with Canadian generally accepted accounting principles, this year's revenues would have been decreased, and the prior year's revenues would have been increased by $100,483.

In my opinion, except for the effects of the matters referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
June 4, 2001

Keystone Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 7,465	$ 7,421	$ 7,827
Recoveries - Resident on Reserve	-	2,904	2,533
Recoveries - Inter-Authority Services	-	51	287
Miscellaneous Revenue	-	6	-
	7,465	10,382	10,647
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	348	329
Program Support	-	133	1
Child Welfare	4,691	8,460	7,167
Handicapped Children's Services	698	1,176	888
Day Care	1,011	755	706
Inter-Authority Services	-	51	287
Other	468		
Early Intervention	-	625	384
Prevention of Family Violence	-	112	71
Valuation Adjustments			
Other Manpower (Note 2)	-	34	-
	7,465	11,694	9,833
NET OPERATING RESULTS	$ -	$ (1,312)	$ 814

The accompanying notes and schedules are part of these financial statements.

Keystone Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
ASSETS		
Cash	$ 32	$ -
Accounts Receivable (Note 5)	694	1,395
Advances	1	3
	$ 727	$ 1,398
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,225	$ 584
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	814	-
Net Operating Results	(1,312)	814
Net Assets (Liabilities) at End of Year	(498)	814
	$ 727	$ 1,398

The accompanying notes and schedules are part of these financial statements.

Keystone Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (1,312)	$ 814
Non-Cash Item		
Valuation Adjustments	34	-
	(1,278)	814
Decrease (Increase) in Accounts Receivable	701	(1,395)
Decrease (Increase) in Advances	2	(3)
Increase (Decrease) in Accounts Payable[(a)]	607	584
Cash Provided (Used) by Operating Transactions	32	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 32	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Keystone Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

Note 1 Authority and Purpose

The Keystone Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Keystone Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Keystone Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs, which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values, which approximate fair values.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $ 7,465,000 on January 26, 2000.

Measurement Uncertainty

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Surplus Retention Reserve Accounts Receivable recorded as $6,401 in these financial statements is subject to measurement uncertainty. Final evaluation of Agency Surpluses can not be determined until the Agency's year-end. Estimates are based on projected program expenditures.

Keystone Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Accrued liabilities recorded as $1,225,000 in these financial statements are subject to measurement uncertainty. The accrued liabilities consist of wages and worker's compensation, Child Welfare expenses and Day Care expenses. These accruals were estimated by management based on prior history of these items and other information available to them. The actual amount could vary significantly from the estimate.

Note 3 Accounting Policy and Reporting Practice Changes (In thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $203 (1999-2000 $181), increase accounts receivable by $203 (1999-2000 $181), increase the grant from the Department of Children's Services by $55 (1999-2000 $181), and increase expenses by $55 (1999-2000 $181).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 7,465
Additional funding provided for the current year	770
Reduction in funding to reduce the prior year surplus	(814)
Grant for the Year	$ 7,421

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 672	$ 1,154
Other	22	241
	$ 694	$ 1,395

Keystone Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities (in thousands)

The accounts payable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Department of Children's Services	$ 394	$ 68
Accrued Other Manpower Expenses	203	168
Trade Payable	622	348
Human Resources & Employment	6	-
	$ 1,225	$ 584

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands) 2001	2000
Long-term leases (a)	$ 87	$ 109

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2003. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 43
2003	$ 44

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Keystone Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower[a]	$ 1,433	$ 3,007	$ 2,310
Supplies and services	4,592	7,980	6,519
Grants	1,440	622	549
Inter-Authority Services	-	51	287
Other	-	34	168
	$ 7,465	$ 11,694	$ 9,833

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $13,481 (2000 - $12,770) in achievement bonuses for management and non-union staff.

Keystone Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 10	$ -	$ 10	$ 18
Co-Chair of the Authority	$ 19	$ -	$ 19	$ 17
Chair of the Authority	$ 6	$ -	$ 6	$ -
Board Members (4 members)	$ 36	$ -	$ 36	$ -
Chief Executive Officer(3)	$ 79	$ 18	$ 97	$ 80

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

(3) The 2 Co-Chairs resigned and were replaced by 1 Chair during the year. The previous incumbents retired on December 18, 2000.

Keystone Child and Family Services Authority

RELATED PARTY TRANSACTIONS **SCHEDULE 3**

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 7,421	$ 7,827	$ -	$ -
Recoveries - Resident on Reserves	2,904	2,533	-	-
Recoveries - Inter-Authority Services	51	287	-	-
	$ 10,376	$ 10,647	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 674	$ 183	$ -	$ -
	$ 674	$ 183	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 571	$ 1,381	$ -	$ -
Department of Human Resources & Employment	(6)	-	-	-
Mamowe Child and Family Services Authority	(212)	(7)	-	-
Neegan Awas'sak Child and Family Services Authority	33	-	-	-
Diamond Willow Child and Family Services Authority	(87)	-	-	-
Ribstone Child and Family Services Authority	(27)	-	-	-
Sakaigun Asky	(2)	-	-	-
Calgary Rockyview Child and Family Services Authority	-	(26)	-	-
Child and Family Services Authority #13	-	(22)	-	-
Hearthstone Child and Family Services Authority	1	1	-	-
	$ 271	$ 1,327	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements, but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 306	$ 347
Legal Services	45	35
	$ 351	$ 382

Keystone Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 8,460	$ 228	$ 45	$ 25	$ -	$ 8,758	$ 7,508
Day Care	755	10	-	1	-	766	706
Handicapped Children's Services	1,176	16	-	2	-	1,194	914
Early Intervention Services	625	23	-	3	-	651	384
Prevention of Family Violence	112	-	-	-	-	112	71
Inter-Authority Services	51	-	-	-	-	51	287
Program Support	133	21	-	2	-	156	-
Board Governance and Core Administration	348	8	-	1	-	357	345
	$ 11,660	$ 306	$ 45	$ 34	$ -	$ 12,045	$ 10,215

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

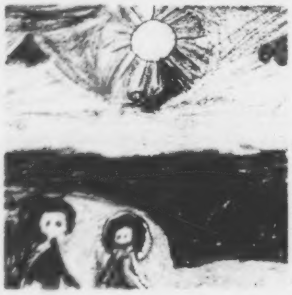

Illustration by Mason (age 7)

Ma'mowe Capital Region

CHILD AND FAMILY SERVICES AUTHORITY

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MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Ma'mowe Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Ma'mowe Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 18, 2001

Ma'Mowe Capital Region Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 144,871	$ 171,489	$ 141,232
Recoveries - Resident on Reserve	-	3,207	1,920
Recoveries - Inter-Authority Services	-	3,371	3,782
Miscellaneous Revenue (Note 7)	150	1,224	-
	145,021	179,291	146,934
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	850	688	464
Program Support	-	1,112	-
Child Welfare	98,794	117,882	103,552
Handicapped Children's Services	14,219	17,366	12,259
Day Care	21,287	26,373	26,547
Inter-Authority Services	-	3,371	3,782
Other			
Early Intervention	9,871	4,397	3,965
Prevention of Family Violence	-	2,457	2,294
Mediation and Court Services	-	-	855
Valuation Adjustments			
Other Manpower (Note 2)	-	197	-
	145,021	173,843	153,718
NET OPERATING RESULTS	$ -	$ 5,448	$ (6,784)

The accompanying notes and schedules are part of these financial statements.

Ma'Mowe Capital Region Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
ASSETS		
Cash	$ 1,918	$ 8
Accounts Receivable (Note 5)	8,017	7,393
	9,935	7,401
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 11,271	$ 14,185
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(6,784)	-
Net Operating Results	5,448	(6,784)
Net Assets (Liabilities) at End of Year	(1,336)	(6,784)
	$ 9,935	$ 7,401

The accompanying notes and schedules are part of these financial statements.

Ma'Mowe Capital Region Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Result	$ 5,448	$ (6,784)
Non-Cash Items		
Valuation Adjustments (net)	197	-
	5,645	(6,784)
Increase in Accounts Receivable	(624)	(7,393)
Decrease in Accounts Payable [(a)]	(3,111)	14,185
Cash Provided (Used) by Operating Transactions	1,910	8
CASH, BEGINNING OF YEAR	8	-
CASH, END OF YEAR	$ 1,918	$ 8

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Ma'mowe Capital Region Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Ma'mowe Capital Region Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" April 1,1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Ma'mowe Capital Region Child and Family Services Authority, which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves, and in conjunction with third party agreements.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Ma'Mowe Capital Region Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employee and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash and accounts receivable are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $145,021,000 on June 2, 2000.

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $3,317 (1999-2000 $3,205), increase accounts receivable by $3,317 (1999-2000 $3,205), increase the grant from the Department of Children's Services by $362 (1999-2000 $85), and increase expenses by $362 (1999-2000 $85).

MaMowe Capital Region Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (Continued)

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 145,021
Additional funding provided for the current year	19,684
Additional funding provided to eliminate the prior year deficit	6,784
Grant for the Year	$ 171,489

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 7,040	$ 6,629
Refunds from Suppliers	977	764
	$ 8,017	$ 7,393

Note 6 Accounts Payable and Accrued Liabilities (in thousands)

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

The accounts payable and accrued liabilities recorded as $11,271 for 2000/2001 and $14,185 for 1999/2000 in these financial statements are subject to measurement uncertainty. The expenditures accrued at year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 627	$ 5,068
Accrued Other Manpower Expenses	3,514	4,298
Trade Payable	7,130	4,819
	$ 11,271	$ 14,185

Ma'Mowe Capital Region Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 7 Miscellaneous Revenue

Miscellaneous revenue includes the following:

		(in thousands) 2001
Donations	$	33
Recoveries of costs incurred under agreement (a)		794
Other miscellaneous revenue		397
Total miscellaneous revenue	$	1,224

(a) Payment under Agreement (in thousands)

The Student Health Initiative is a joint initiative of provincial government partners in Education, Health, Mental Health and Ma'mowe Capital Region Child and Family Services Authority to deliver integrated health and related support services for children with special health needs registered in school programs. The program commenced June 2000. All costs incurred under this agreement are covered by reimbursement through approved provincial funds.

The 2000/2001 revenues and expenses of $794 and the resulting account receivable and payable of $366 are included in the financial statements.

Note 8 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Ma'Mowe Capital Region Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower [(a)]	$ 27,421	$ 36,251	$ 31,440
Supplies and services	91,301	110,214	94,399
Grants	24,475	23,808	24,073
Inter-Authority Services	1,824	3,371	3,782
Other	-	199	24
	$ 145,021	$ 173,843	$ 153,718

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $165,000 (2000 - $85,000) in achievement bonuses for management and non-union staff.

Ma'Mowe Capital Region Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chair of the Authority	$ 11	$ -	$ 11	$ 16
Co-Chair of the Authority	$ 10	$ -	$ 10	$ 10
Board Members (11 members)	$ 67	$ -	$ 67	$ 70
Chief Executive Officer	$ 109	$ 23	$ 132	$ 112

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Ma'Mowe Capital Region Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$171,489	$ 141,232	$ -	$ -
Recoveries - Resident on Reserves	3,207	1,920	-	-
Recoveries - Inter-Authority Services	3,371	3,782	-	-
Other Ministries - Ministry of Health & ESHIP Partnerships (Note 7)	-	-	1,107	-
Prior Year Revenue - Inter-Authority Services	74	-	-	-
	$178,141	$ 146,934	$ 1,107	$ -
EXPENSES				
Inter-Authority Services	$ 1,245	$ 336	$ -	$ -
	$ 1,245	$ 336	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 5,533	$ 243	$ -	$ -
Rocky View Child and Family Services Authority	26	-	-	-
Diamond Willow Child and Family Services Authority	26	-	-	-
Ribstone Child and Family Services Authority	(21)	-	-	-
West Yellowhead Child and Family Services Authority	205	-	-	-
Keystone Child and Family Services Authority	203	-	-	-
Sakaw Asky Child and Family Services Authority	462	-	-	-
Sakaigun Askiy Child and Family Services Authority	(30)	-	-	-
Child and Family Services Authority Region 13	(2)	-	-	-
Awasak Child and Family Services Authority	9	-	-	-
CFSA 's General	-	1,319	-	-
ESHIP Partnership Program (Note 7)	-	-	373	-
Deparment of Health (PDD)	-	-	64	-
	$ 6,411	$ 1,562	$ 437	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 4,470	$ 3,123
Legal Services	611	677
	$ 5,081	$ 3,300

Ma'Mowe Capital Region Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 117,882	$ 3,571	$ 611	$ 158	$ -	$122,222	$106,995
Day Care	26,373	246	-	11	-	26,630	26,724
Handicapped Children's Services	17,366	450	-	20	-	17,836	12,394
Early Intervention Services	4,397	21	-	1	-	4,419	3,979
Prevention of Family Violence	2,457	11	-	-	-	2,468	2,305
Inter-Authority Services	3,371	-	-	-	-	3,371	3,782
Program Support	1,112	123	-	5	-	1,240	-
Board Governance and Core Administration	688	48	-	2	-	738	485
Mediation and Court Services	-	-	-	-	-	-	855
	$ 173,646	$ 4,470	$ 611	$ 197	$ -	$178,924	$157,519

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

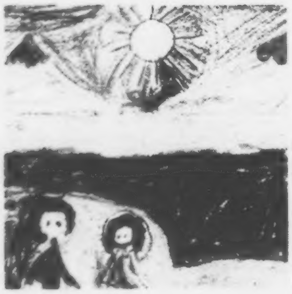

Illustration by Mason (age 7)

Sakaw-Askiy

CHILD AND FAMILY SERVICES AUTHORITY

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MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Sakaw-Askiy Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Sakaw-Askiy Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Sakaw-Askiy Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 12,470	$ 13,867	$ 12,458
Recoveries - Resident on Reserve	-	487	331
Recoveries - Inter-Authority Services	-	288	37
	12,470	14,642	12,826
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	598	560
Child Welfare	8,098	10,936	8,286
Handicapped Children's Services	1,221	1,919	1,129
Day Care	1,745	1,351	1,254
Inter-Authority Services	-	288	37
Other	809		
Early Intervention	-	760	897
Prevention of Family Violence	-	177	209
Valuation Adjustments			
Other Manpower (Note 2)	-	55	-
	12,470	16,084	12,372
NET OPERATING RESULTS	$ -	$ (1,442)	$ 454

The accompanying notes and schedules are part of these financial statements.

Sakaw-Askiy Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ 434	$ 1
Accounts Receivable (Note 5)	1,247	2,023
Advances	1	1
	$ 1,682	$ 2,025
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 2,670	$ 1,571
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	454	-
Net Operating Results	(1,442)	454
Net Assets (Liabilities) at End of Year	(988)	454
	$ 1,682	$ 2,025

The accompanying notes and schedules are part of these financial statements.

Sakaw-Askiy Child and Family Services Authority

STATEMENT OF CHANGES OF FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (1,442)	$ 454
Non-Cash Item		
Valuation Adjustments	55	-
	(1,387)	454
Decrease (Increase) in Accounts Receivable	776	(2,023)
Decrease (Increase) in Advances	-	(1)
Increase (Decrease) in Accounts Payable[a]	1,044	1,571
Cash Provided (Used) by Operating Transactions	433	1
CASH, BEGINNING OF YEAR	1	-
CASH, END OF YEAR	$ 434	$ 1

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Sakaw-Askiy Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Sakaw-Askiy Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Sakaw-Askiy Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations received from external sources are recorded as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employee, the CEO and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget (in thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $12,470 on March 10, 2000.

Measurement Uncertainty

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $2,670,000 in these financial statements is subject to measurement uncertainty as a result of liability estimates. The actual amount could vary significantly from that estimated.

Sakaw-Askiy Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $263 (1999-2000 increase $218), increase accounts receivable by $263 (1999-2000 increase $218), increase the grant from the Department of Children's Services by $77 (1999-2000 increase $10), and increase expenses by $77 (1999-2000 increase $10).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	12,470
Additional funding provided for the current year		1,851
Reduction in funding to reduce the prior year surplus		(454)
Grant for the Year	$	13,867

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 1,121	$ 1,943
Refunds from Suppliers	126	80
	$ 1,247	$ 2,023

Sakaw-Askiy Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 1,630	$ 575
Accrued Other Manpower Expenses	263	218
Trade Payable	777	778
	$ 2,670	$ 1,571

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands)	
	2001	2000
Long-term leases (a)	$ 47	$ 105

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 28
2003	$ 17
2004	$ 2

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Sakaw-Askiy Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

For the year ended March 31, 2001

SCHEDULE 1

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower (a)	$ 2,404	$ 3,439	$ 2,899
Supplies and services	8,315	11,132	8,406
Grants	1,751	1,170	1,067
Inter-Authority Services	-	288	-
Other	-	55	-
	$ 12,470	$ 16,084	$ 12,371

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $22,000 for 2001 (2000 was $ 10,000) in achievement bonuses for management and non-union staff.

Sakaw-Askiy Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chairman of the Board (Note 3)	$ 5	-	$ 5	$ 11
Co-Chairman of the Board (Note 3)	$ 6	-	$ 6	-
Co-Chairman of the Board	$ 17	-	$ 17	$ 20
Board Members (8 members)	$ 58	-	$ 58	$ 35
Chief Executive Officer	$ 92	$ 5	$ 97	$ 84

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and lump sum payments, and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

(3) The position was occupied by two individuals during the year. The previous incumbent resigned in July of 2000.

Sakaw-Asky Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 13,867	$ 12,458	$ -	$ -
Recoveries - Resident on Reserves	487	331	-	-
Recoveries - Inter-Authority Services	284	37	-	-
	$ 14,638	$ 12,826	$ -	$ -
EXPENSES				
Department of Children's Services - Other	$ 55	$ -	$ -	$ -
Inter-Authority Services	1,649	1,175	-	-
	$ 1,704	$ 1,175	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 119	$ 1,914	$ -	$ -
Sun Country Child and Family Services Authority	-	(2)	-	-
Diamond Willow Child and Family Services Authority	-	3	-	-
West Yellowhead Child and Family Services Authority	(66)	(110)	-	-
Ma'mowe Child and Family Services Authority	(462)	(385)	-	-
Sakaigun Asky Child and Family Services Authority	(39)	16	-	-
Region 13 Child and Family Services Authority	19	(4)	-	-
Neegan Awas'sak Child and Family Services Authority	(75)	(51)	-	-
Awasak Child and Family Services Authority	(55)	(13)	-	-
	$ (559)	$ 1,368	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 346	$ 310
Legal Services	56	54
	$ 402	$ 364

Sakaw-Askiy Child and Family Services Authority

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments[4]			
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 10,936	$ 300	$ 56	$ 47	$ -	11,339	$ 8,603
Day Care	1,351	6	-	1	-	1,358	1,267
Handicapped Children's Services	1,919	5	-	1	-	1,925	1,134
Early Intervention Services	760	13	-	2	-	775	905
Prevention of Family Violence	177	-	-	-	-	177	209
Board Governance and Core Administration	598	22	-	4	-	624	580
Inter-Authority Services	288	-	-	-	-	288	37
	$ 16,029	$ 346	$ 56	$ 55	$ -	$ 16,486	$ 12,735

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

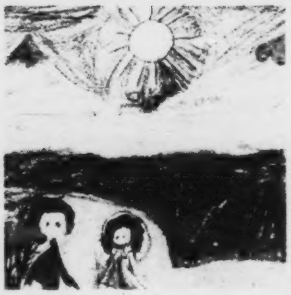

illustration by Mason (age 7)

Sakaigun Asky

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Sakaigun Asky Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Sakaigun Asky Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Sakaigun Asky Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	(in thousands)		
	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 14,210	$ 16,147	$ 14,266
Recoveries - Resident on Reserve	-	890	952
Recoveries - Inter-Authority Services	-	421	244
Miscellaneous Revenue	-	39	-
	14,210	17,497	15,462
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	489	657
Child Welfare	9,233	10,321	9,545
Handicapped Children's Services	1,467	1,364	1,133
Day Care	1,990	1,554	1,551
Inter-Authority Services	-	421	244
Other	923	-	-
Early Intervention	-	1,681	1,630
Prevention of Family Violence	-	1,070	940
Valuation Adjustments			
Other Manpower (Note 2)	-	86	-
Student Health Initiative	-	39	-
	14,210	17,025	15,700
NET OPERATING RESULTS	$ -	$ 472	$ (238)

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) 2001	 2000 (restated - Note 3)
ASSETS		
Cash	$ 815	$ -
Accounts Receivable (Note 5)	1,108	1,281
Advances	1	2
	$ 1,924	$ $1,283
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,690	$ 1,521
NET ASSETS (LIABILITIES)		
Net Assets (Liabilities) at Beginning of Year	(238)	-
Net Operating Results	472	(238)
Net Assets (Liabilities) at End of Year	234	(238)
	$ 1,924	$ 1,283

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

STATEMENT OF CHANGES IN THE FINANCIAL POSITION

For the Year ended March 31, 2001

	(in thousands) 2001	 2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 472	$ (238)
Non-Cash Item		
Valuation Adjustments	86	-
	558	(238)
Decrease (Increase) in Accounts Receivable	173	(1,281)
Decrease (Increase) in Advances	1	(2)
Increase (Decrease) in Accounts Payable (a)	83	1,521
Cash Provided (Used) by Operating Transactions	815	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 815	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Sakaigun Asky Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Sakaigun Asky Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves, and in conjunction with third party agreements.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Sakaigun Asky Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employee and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivables, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-2001 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $14,210,000 on July 24, 2000.

Note 3 Accounting Policy and Reporting Practice Changes

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999-2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $310,000 (1999-2000 $233,000 increase), increase accounts receivable by $310,000 (1999-2000 $233,000 increase), increase the grant from the Department of Children's Services by $103,000 (1999-2000 $9,000 increase), and increase expenses by $103,000 (1999-2000 $9,000 increase).

Sakaigun Asky Child and Family Services Authority

Note 3 Accounting Policy and Reporting Practice Changes (Continued)

Effective April 1, 2000, the reporting practices regarding Inter-Authority services and services for children resident on reserves were changed to report separately as revenue, the reimbursement for these services from other authorities and from the Department of Children's Services. In 1999-2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 14,210
Additional funding provided for the current year	1,699
Additional funding provided to eliminate the prior year deficit	238
Grant for the Year	$ 16,147

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Ministry of Children's Services	$ 1,092	$ 1,180
Student Health Initiative	16	-
Contract Refunds	-	101
	$ 1,108	$ 1,281

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Ministry of Children's Services	$ 249	$ 315
Accrued Other Manpower Expenses	341	233
Trade Payable	1,100	973
	$ 1,690	$ 1,521

Sakaigun Asky Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 7 Commitments

As at March 31, 2001, the Authority had the following commitments:

	(in thousands) 2001	2000
Long-term leases (a)	$ 212	$ 184

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 127
2003	$ 78
2004	$ 7

Note 8 Contingencies

An ex-gratia claim for the reimbursement of legal fees related to the Child Welfare Program in the amount of $11,000 has been filed against the Authority.

At March 31, 2001 this claim has not been approved. It is likely that the claim will be approved and will be included as an expenditure in the 2001-2002 fiscal year.

Note 9 Payment Under Agreement

In partnership with the Elk Island School Division, the Authority has entered into an agreement to deliver programs under the Student Health Initiative. The revenues and expenses of $39,000 and the resulting account receivable of $16,000 are included in the financial statements.

Note 10 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 11 Approval of Financial Statements

The financial statements have been approved by the Authority.

Sakaigun Asky Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower (a)	$ 3,396	$ 3,815	$ 3,085
Supplies and services	9,265	11,361	11,102
Grants	1,549	1,342	1,269
Inter-Authority Services	-	421	244
Other	-	86	-
	$ 14,210	$ 17,025	$ 15,700

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $21,000 for 2001 (2000 - $9,000) in achievement bonuses for management and non-union staff.

Sakaigun Asky Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chair of the Authority	$ 14	$ -	$ 14	$ 11
Co-Chair of the Authority	$ 20	$ -	$ 20	$ 11
Board Members (5 members)	$ 43	$ -	$ 43	$ 35
Chief Executive Officer (3)	$ 71	$ 13	$ 84	$ 100

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

An automobile was provided during the year; however, no dollar amount is included in benefits and allowances.

Benefits and allowances include vacation payouts of $9,000.

(3) The position of the CEO was occupied by two individuals during the year. The previous incumbent concluded with the Regional Authority on April 21, 2000.

Sakaigun Asky Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 16,147	$ 14,265	$ -	$ -
Recoveries - Resident on Reserves	890	952	-	-
Recoveries - Inter-Authority Services	421	244	-	-
	$ 17,458	$ 15,461	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 411	$ 684	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 852	$ 1,144	$ -	$ -
Rocky View Child and Family Services Authority	(2)	-	-	-
Diamond Willow Child and Family Services Authority	-	1	-	-
Ribstone Child and Family Services Authority	(4)	-	-	-
West Yellowhead Child and Family Services Authority	2	-	-	-
Sakaw-Askiy Child and Family Services Authority	23	2	-	-
Keystone Child and Family Services Authority	2	-	-	-
Ma'mowe Capital Child and Family Services Authority	14	(280)	-	-
Neegan Awas'sak Child and Family Services Authority	(13)	-	-	-
Awasak Child and Family Services Authority	(37)	(6)	-	-
Metis Settlements Child and Family Services Authority	5	4	-	-
	$ 842	$ 865	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements, but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 465	$ 801
Legal Services	54	62
	$ 519	$ 863

Sakaigun Asky Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 10,321	$ 417	$ 54	$ 77	$ -	$ 10,869	$ 10,330
Day Care	1,554	28	-	5	-	1,587	1,581
Handicapped Children's Services	1,364	9	-	2	-	1,375	1,157
Early Intervention Services	1,681	1	-	-	-	1,682	1,630
Prevention of Family Violence	1,070	1	-	-	-	1,071	940
Board Governance and Core Administration	489	9	-	2	-	500	681
Program Support	39	-	-	-	-	39	-
Inter-Authority Services	421	-	-	-	-	421	244
	$ 16,939	$ 465	$ 54	$ 86	$ -	$ 17,544	$16,563

(1) This Schedule is for the Sakaigun Asky Child and Family Services Authority (CFSA) which is part of the Ministry of Children's Services.

(2) Expenses as per the Statement of Operations, excluding valuation adjustments.

(3) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(5) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

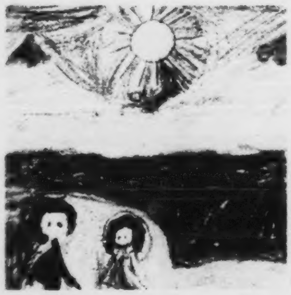

Illustration by Mason (age 7)

Region 13

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Child and Family Services Authority Region 13 and the Minister of Children's Services

I have audited the statement of financial position of the Child and Family Services Authority Region 13 as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

The Authority is required to follow accounting policies and reporting practices established by the Department of Children's Services, including the following policy that is an exception from Canadian generally accepted accounting principles. The Authority has not capitalized and amortized capital assets with useful service lives greater than one year. The Authority only capitalizes assets over $15,000. If the Authority had capitalized assets in accordance with Canadian generally accepted accounting principles, assets would have increased by approximately $82,000, expenses would have decreased by approximately $30,000 and net assets would have increased by approximately $82,000.

In my opinion, except for the effects of the matters referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 16, 2001

Child and Family Services Authority Region 13

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 12,815	$ 14,409	$ 10,971
Recoveries - Resident on Reserve	-	251	140
Recoveries - Inter-Authority Services	-	101	244
Miscellaneous Revenue	-	170	-
	12,815	14,931	11,355
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	597	491	532
Program Support	-	798	439
Child Welfare	8,373	7,574	6,875
Handicapped Children's Services	1,204	1,460	1,366
Day Care	1,804	1,639	1,498
Inter-Authority Services	-	101	244
Other	837		
Early Intervention	-	713	667
Prevention of Family Violence	-	702	674
Mediation and Court Services	-	-	4
Valuation Adjustments			
Other Manpower (Note 2)	-	40	-
	12,815	13,518	12,299
NET OPERATING RESULTS	$ -	$ 1,413	$ (944)

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
ASSETS		
Cash	$ 408	$ -
Accounts Receivable (Note 5)	780	279
Advances	7	1
	$ 1,195	$ 280
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 726	$ 1,224
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(944)	-
Net Operating Results	1,413	(944)
Net Assets (Liabilities) at End of Year	469	(944)
	$ 1,195	$ 280

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands)	
	2001	2000 (restated Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ 1,413	$ (944)
Valuation Adjustments	40	-
	1,453	(944)
(Increase) Decrease in Accounts Receivable	(501)	(279)
(Increase) Decrease in Advances	(6)	(1)
(Decrease) Increase in Accounts Payable (a)	(538)	1,224
Cash Provided (Used) by Operating Transactions	408	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 408	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Child and Family Services Authority Region 13 (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority provides community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Child and Family Services Authority Region 13 which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Child and Family Services Authority Region 13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employee, the CEO, and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $12,815,000 on February 10, 2000.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as $780 and accounts payable and accrued liabilities recorded as $726 in these financial statements are subject to measurement uncertainty.

Child and Family Services Authority Region 13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities and increase accounts receivable by $244 (1999-2000 $216 increase), increase the grant from the Department of Children's Services, and increase expenses by $65 (1999-2000 $11 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	12,815
Additional funding provided for the current year		1,166
Reduction in funding for the current year		(516)
Additional funding provided to eliminate the prior year deficit		944
Grant for the Year	$	14,409

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities.

	(in thousands)			
		2001		2000
Department of Children's Services	$	378	$	216
Other - CFSA		82		63
Contract Agency Surplus		320		-
	$	780	$	279

Child and Family Services Authority Region 13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) **2001**	2000
Department of Children's Services	$ -	$ 357
Accrued Other Manpower Expenses	244	216
Trade Payable	367	480
Other – CFSA	115	171
	$ 726	$ 1,224

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands) **2001**	2000
Service contracts	$ 1,075	$ 391
Long-term leases (a)	189	250
	$ 1,264	$ 641

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 87
2003	$ 69
2004	$ 33

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Child and Family Services Authority Region 13

EXPENSES DETAILED BY OBJECT **SCHEDULE 1**

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower (a)	$ 3,169	$ 3,159	$ 2,469
Supplies and services	8,325	8,730	8,196
Grants	1,321	1,488	1,389
Inter-Authority Services	-	101	244
Other	-	40	1
	$ 12,815	$ 13,518	$ 12,299

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $25,000 (2000 - $11,000) in achievement bonuses for management and non-union staff.

Child and Family Services Authority Region 13

DISCLOSURE OF SALARY AND BENEFITS **SCHEDULE 2**

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chair of the Authority	$ 23	$ -	$ 23	$ 17
Co-Chair of the Authority	$ 1	$ -	$ 1	$ 12
Board Members (10 members)	$ 67	-	$ 67	$ 69
Chief Executive Officer	$ 91	$ 14	$ 105	$ 87

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, and long and short term disability plans.

Child and Family Services Authority Region 13

RELATED PARTY TRANSACTIONS **SCHEDULE 3**

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 14,579	$ 10,971	$ -	$ -
Recoveries - Resident on Reserves	251	140	-	-
Recoveries - Inter-Authority Services	101	244	-	-
	$ 14,931	$ 11,355	$ -	$ -
EXPENSES				
Inter-Authority Services	411	619	$ -	$ -
	$ 411	$ 619	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 378	$ (141)	$ -	$ -
Child and Family Services Authority Region 6	5	(4)	-	-
Child and Family Services Authority Region 8	-	1	-	-
Child and Family Services Authority Region 9	-	11	-	-
Child and Family Services Authority Region 10	(67)	(19)	-	-
Child and Family Services Authority Region 11	3	4	-	-
Child and Family Services Authority Region 14	(1)	4	-	-
Child and Family Services Authority Region 15	(5)	(114)	-	-
Child and Family Services Authority Region 16	24	4	-	-
Child and Family Services Authority Region 17	7	5	-	-
Child and Family Services Authority Region 18	1	-	-	-
	$ 345	$ (249)	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 606	$ 447
Legal Services	40	49
	$ 646	$ 496

Child and Family Services Authority Region 13

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 7,574	$ 390	$ 40	$ 25	$ -	$ 8,029	$ 7,310
Day Care	1,639	13	-	1	-	1,653	1,505
Handicapped Children's Services	1,460	30	-	2	-	1,492	1,386
Early Intervention Services	713	-	-	-	-	713	667
Prevention of Family Violence	702	-	-	-	-	702	681
Board Governance and Core Administration	491	43	-	3	-	537	559
Program Support	798	130	-	9	-	937	439
Mediation and Court Services	-	-	-	-	-	-	4
Inter-Authority Services	101	-	-	-	-	101	244
	$ 13,478	$ 606	$ 40	$ 40	$ -	$ 14,164	$ 12,795

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Illustration by Mason (age 7)

Region 14

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Region 14 Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Region 14 Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Region 14 Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 3,511	$ 3,710	$ 3,487
Recoveries - Resident on Reserve	-	191	248
Recoveries - Inter-Authority Services	-	50	78
Miscellaneous Revenue	-	74	-
	3,511	4,025	3,813
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	339	333
Program Support	-	314	59
Child Welfare	2,250	1,933	1,792
Handicapped Children's Services	191	285	349
Day Care	485	347	370
Inter-Authority Services	-	50	78
Other	225		
Early Intervention	-	478	487
Prevention of Family Violence	-	367	245
Mediation and Court Services	-	-	5
Valuation Adjustments			
Other Manpower (Note 2)	-	2	-
	3,511	4,115	3,718
NET OPERATING RESULTS	$ -	$ (90)	$ 95

The accompanying notes and schedules are part of these financial statements.

Region 14 Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ 167	$ -
Accounts Receivable (Note 5)	194	413
Advances	2	1
	$ 363	$ 414
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 358	$ 319
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	95	-
Net Operating Results	(90)	95
Net Assets (Liabilities) at End of Year	5	95
	$ 363	$ 414

The accompanying notes and schedules are part of these financial statements.

Region 14 Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (90)	$ 95
Non-Cash Item		
Valuation Adjustment	2	-
	(88)	95
Decrease (Increase) in Accounts Receivable	219	(413)
Decrease (Increase) in Advances	(1)	(1)
Increase (Decrease) in Accounts Payable[a]	37	319
Cash Provided (Used) by Operating Transactions	167	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 167	$ -

[a] Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Region 14 Child and Family Services Authority

Note 1 Authority and Purpose

The Region 14 Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Region 14 Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Region 14 Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $3,511,000 on April 18, 2000.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as $194 and accounts payable and accrued liabilities recorded as $358 in these financial statements are subject to measurement uncertainty.

Region 14 Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $81 (1999-2000 $91 increase), increase accounts receivable by $81 (1999-2000 $91 increase), increase the grant from the Department of Children's Services by $14 (1999-2000 $11 increase), and increase expenses by $14 (1999-2000 $11 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	3,511
Additional funding provided for the current year		294
Reduction in funding to reduce the prior year surplus		(95)
Grant for the Year	$	3,710

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands)			
		2001		2000
Department of Children's Services	$	150	$	404
Other CFSA's		9		9
Refunds from Suppliers		28		-
Other (Manpower – PDD)		7		-
	$	194	$	413

Region 14 Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Department of Children's Services	$ -	$ -
Other CFSA's	24	-
Accrued Other Manpower Expenses	102	136
Other (Non GRF – 095)	-	6
Trade Payables	232	177
	$ 358	$ 319

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands) 2001	2000
Service contracts	$ 752	$ 336
Long-term leases (a)	45	31
	$ 797	$ 367

(a) The Authority leases certain equipment under operating leases that expire on various dates to March 31, 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 14
2003	$ 11
2004	$ 10
2005	$ 10

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Region 14 Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower[(a)]	$ 1,042	$ 1,065	$ 998
Supplies and services	2,087	2,654	2,337
Grants	382	344	305
Inter-Authority Services	-	50	78
Other	-	2	-
	$ 3,511	$ 4,115	$ 3,718

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $12,000 (year 2000 - $11,000) in achievement bonuses for management and non-union staff.

Region 14 Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary[1]	Benefits and Allowances[2]	Total	Total (restated - Note 3)
Co-Chair of the Authority[4]	$ 29	$ -	$ 29	$ 0
Board Members (7 members)	$ 52	$ -	$ 52	$ 50
Chief Executive Officer[3]	$ 77	$ 13	$ 90	$ 90

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairperson and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans.

(3) Automobile provided, no dollar amount included in benefit and allowances.

(4) The position of the Co-Chair was occupied by two individuals during the year beginning April 1, 2000 - January 15, 2001 and January 16 - March 31, 2001.

Region 14 Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 3,710	$ 3,487	$ -	$ -
Recoveries - Resident on Reserves	191	248	-	-
Recoveries - Inter-Authority Services	50	78	-	-
	$ 3,951	$ 3,813	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 113	$ 69	$ -	$ -
	$ 113	$ 69	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 150	$ 404	$ -	$ -
Child and Family Services Authority Region 1	-	3	-	-
Child and Family Services Authority Region 4	(1)	(9)	-	-
Child and Family Services Authority Region 6	(2)	(2)	-	-
Child and Family Services Authority Region 7	(1)	-	-	-
Child and Family Services Authority Region 8	-	22	-	-
Child and Family Services Authority Region 9	-	1	-	-
Child and Family Services Authority Region 10	-	(2)	-	-
Child and Family Services Authority Region 11	(18)	-	-	-
Child and Family Services Authority Region 12	-	-	-	-
Child and Family Services Authority Region 13	1	(13)	-	-
Child and Family Services Authority Region 15	2	(1)	-	-
Child and Family Services Authority Region 16	1	-	-	-
Child and Family Services Authority Region 17	3	8	-	-
Child and Family Services Authority Region 18	-	2	-	-
	$ 135	$ 413	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 755	$ 168
Legal Services	10	11
	$ 765	$ 179

Region 14 Child and Family Services Authority

ALLOCATED COSTS **SCHEDULE 4**

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 1,933	$ 521	$ 10	$ 1	$ -	$ 2,465	$ 1,923
Day Care	347	25	-	-	-	372	379
Handicapped Children's Services	285	15	-	-	-	300	360
Early Intervention Services	478	-	-	-	-	478	498
Prevention of Family Violence	367	-	-	-	-	367	245
Board Governance and Core Administration	339	82	-	-	-	421	350
Program Support	314	112	-	1	-	427	59
Mediation and Court Services	-	-	-	-	-	-	5
Inter-Authority Services	50	-	-	-	-	50	78
	$ 4,113	$ 755	$ 10	$ 2	$ -	$ 4,880	$ 3,897

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

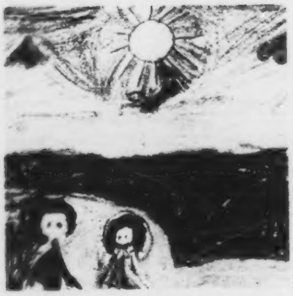

Illustration by Mason (age 7)

Neegan Awas'sak

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Neegan Awas'sak Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Neegan Awas'sak Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

The Authority is required to follow accounting policies and reporting practices established by the Department of Children's Services, including the following policy that is an exception from Canadian generally accepted accounting principles. The Authority has not capitalized and amortized all capital assets with useful service lives greater than one year. The Authority only capitalizes assets over $15,000. If the Authority had capitalized assets in accordance with Canadian generally accepted accounting principles, amortization expense would have been increased by approximately $55,000, supplies and services expenses would have been decreased by approximately $45,000 and the capital assets and net assets at March 31, 2001 would have been increased by approximately $103,000.

In my opinion, except for the effects of the matters referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Neegan Awas'sak Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 7,193	$ 6,650	$ 7,300
Recoveries - Resident on Reserve	-	349	324
Recoveries - Inter-Authority Services	-	947	1,194
Miscellaneous Revenue - Transfer from Government of Canada	-	35	-
	7,193	7,981	8,818
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	284	305
Program Support	-	102	44
Child Welfare	4,913	5,216	4,572
Handicapped Children's Services	370	444	402
Day Care	1,059	726	795
Inter-Authority Services	-	947	1,194
Other	491		
Early Intervention	-	565	643
Prevention of Family Violence	-	178	190
Valuation Adjustments			
Other Manpower (Note 2)	-	21	-
Amortization	-	7	7
	7,193	8,490	8,152
NET OPERATING RESULTS	$ -	$ (509)	$ 666

The accompanying notes and schedules are part of these financial statements.

Neegan Awas'sak Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
ASSETS		
Cash	$ 411	$ -
Accounts Receivable (Note 5)	860	1,543
Capital Assets (Note 6)	22	29
	1,293	1,572
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 7)	$ 1,136	$ 906
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	666	-
Net Operating Results	(509)	666
Net Assets (Liabilities) at End of Year	157	666
	$ 1,293	$ 1,572

The accompanying notes and schedules are part of these financial statements.

Neegan Awas'sak Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (509)	$ 666
Non-Cash Items		
Valuation Adjustment	21	-
Amortization of Capital Assets	7	7
	(481)	673
Decrease (Increase) in Accounts Receivable	683	(1,543)
Increase (Decrease) in Accounts Payable (a)	209	906
Cash Provided (Used) by Operating Transactions	411	36
INVESTING TRANSACTIONS		
Purchases of Capital Assets	-	(36)
Cash Provided (Used) by Investing Transactions	-	(36)
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 411	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Neegan Awas'sak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Neegan Awas'sak Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Neegan Awas'sak Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Neegan Awas'sak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employee and CEO and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash and accounts receivable are recorded at carrying values which approximate fair values.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. Capital assets included computer equipment. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $7,193,000 on May 19, 2000.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Neegan Awas'sak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Accounts receivable recorded as $860 in these financial statements is subject to measurement uncertainty as there may be a significant variance in the amount of assets that the Authority has recorded for unspent funds advanced to agencies who provide services on behalf of the Authority.

Accounts payable recorded as $1,136 in these financial statements are subject to measurement uncertainty as there may be a significant variance in the estimate of outstanding accruals.

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities and accounts receivable by $197 (1999-2000 $189 increase), increase the grant from the Department of Children's Services and increase expenses by $41 (1999-2000 $12 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	7,193
Additional funding provided for the current year		435
Reduction in funding for the current year		(312)
Reduction in funding to reduce the prior year surplus		(666)
Grant for the Year	$	6,650

Neegan Awas'sak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Department of Children's Services	$ 346	$ 1,436
Other – CFSA's	509	107
Other – Government of Canada	5	-
	$ 860	$ 1,543

Note 6 Capital Assets

(in thousands)

	2001				2000
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Systems Development	3 – 5 years	$ 36	$ 14	$ 22	$ 29

Note 7 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Department of Children's Services	$ 430	$ 8
Accrued Other Manpower Expenses	250	299
Trade Payable	316	518
Other – CFSA's	139	77
Other	1	4
	$ 1,136	$ 906

Note 8 Commitments

As at March 31, 2001 the Authority has the following commitments:

	(in thousands)			
		2001		2000
Service contracts	$	2,361	$	1,181
Long-term leases (a)		230		149
	$	2,591	$	1,330

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)	
2002	$	119
2003	$	87
2004	$	22
2005	$	2

Note 9 Third Party Agreement (in thousands)

In partnership with Neegan Awas'sak and the Federal Justice Department, the Authority has entered into a third party agreement to defray some of the costs associated with the implementation and administration of Neegan Awas'sak's Family Group Conferencing and Early Intervention Program.

The revenues and expenses of $35 and the resulting account receivable of $5 and accounts payable of $35 are included in the financial statements.

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Neegan Awas'sak Child and Family Services Authority

SCHEDULE 1

EXPENSES DETAILED BY OBJECT

For the year ended March 31, 2001

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
Manpower(a)	$ 2,770	$ 3,168	$ 2,702
Supplies and services	3,753	3,805	3,631
Grants	670	542	618
Amortization of Capital Assets	-	7	7
Inter-Authority Services	-	947	1,194
Other	-	21	-
	$ 7,193	$ 8,490	$ 8,152

(in thousands)

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $21,000 (2000 - $12,000) in achievement bonuses for management and non-union staff.

Neegan Awas'sak Child and family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

	(in thousands)			
	2001			2000
	Salary (1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority (3)	$ 8	$ -	$ 8	$ 10
Co-Chair of the Authority (3)	$ 9	$ -	$ 9	$ 8
Board Members (5 members)	$ 33	$ -	$ 33	$ 29
Chief Executive Officer	$ 89	$ 15	$ 104	$ 81

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, healthcare, dental coverage, group life insurance, long and short term disability plans.

(3) The position (Co-Chair) was occupied by two individuals during the year. The previous incumbent retired on August 30th, 2001.

Neegan Awas'sak Child and Family Services Authority

RELATED PARTY TRANSACTIONS **SCHEDULE 3**

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 6,650	$ 7,300	$ -	$ -
Recoveries - Resident on Reserves	349	324	-	-
Recoveries - Inter-Authority Services	947	1,194	-	-
	$ 7,946	$ 8,818	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 110	$ 171	$ -	$ -
	$ 110	$ 171	$ -	$ -
RECEIVEABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ (84)	$ 1,428	$ -	$ -
Alberta Human Resources & Employment	(2)	(4)	-	-
Child and Family Services Authority Region 7	(1)	(1)	-	-
Child and Family Services Authority Region 9	(35)	-	-	-
Child and Family Services Authority Region 10	(5)	(3)	-	-
Child and Family Services Authority Region 11	264	48	-	-
Child and Family Services Authority Region 12	105	-	-	-
Child and Family Services Authority Region 13	(10)	(33)	-	-
Child and Family Services Authority Region 14	(2)	(4)	-	-
Child and Family Services Authority Region 16	(1)	21	-	-
Child and Family Services Authority Region 17	57	2	-	-
Total Receivables (Payables)	$ 286	$ 1,454	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 359	$ 415
Legal Services	27	30
	$ 386	$ 445

Neegan Awas'sak Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments[4]			
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 5,216	$ 311	$ 27	$ 18	$ -	$ 5,572	$ 4,972
Day Care	726	9	-	1	-	736	800
Handicapped Children's Services	444	18	-	1	-	463	417
Early Intervention Services	565	-	-	-	-	565	648
Prevention of Family Violence	178	3	-	-	-	181	195
Board Governance and Core Administration	284	12	-	1	-	297	320
Program Support	102	6	-	-	-	108	44
Amortization	7	-	-	-	-	7	7
Inter-Authority Services	947	-	-	-	-	947	1,194
	$ 8,469	$ 359	$ 27	$ 21	$ -	$ 8,876	$ 8,597

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were recorded as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.
- Other valuation adjustments - allocated by expenses incurred by each program.

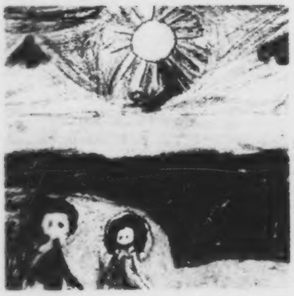

Illustration by Mason (age 7)

Awasak

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Awasak Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Awasak Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 31, 2001

Awasak Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	(in thousands) 2001 Budget	 2001 Actual	 2000 Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 7,241	$ 6,799	$ 7,141
Recoveries - Resident on Reserve	-	470	330
Recoveries - Inter-Authority Services	-	323	41
Donations	-	1	-
Miscellaneous Revenue	-	247	-
	7,241	7,840	7,512
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	337	308
Program Support	-	325	-
Child Welfare	4,607	5,409	4,592
Handicapped Children's Services	820	960	677
Day Care	993	330	367
Inter-Authority Services	-	323	41
Other	461		
Early Intervention	-	522	520
Prevention of Family Violence	-	394	334
Mediation and Court Services	-	-	3
Valuation Adjustments			
Other Manpower (Note 2)	-	(74)	-
	7,241	8,526	6,842
NET OPERATING RESULTS	$ -	$ (686)	$ 670

The accompanying notes and schedules are part of these financial statements.

Awasak Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) 2001	 2000 (restated - Note 3)
ASSETS		
Cash	$ 240	$ -
Accounts Receivable (Note 5)	576	1,322
	$ 816	$ 1,322
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 815	$ 652
Unearned Revenue	17	-
	832	652
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	670	-
Net Operating Results	(686)	670
Net Assets (Liabilities) at End of Year	(16)	670
	$ 816	$ 1,322

The accompanying notes and schedules are part of these financial statements.

Awasak Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) 2001	2000
		(restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (686)	$ 670
Non-Cash Item		
Valuation Adjustment	(74)	-
	(760)	670
Decrease (Increase) in Accounts Receivable	746	(1,322)
Decrease (Increase) in Advances	237	652
Increase (Decrease) in Accounts Payable(a)	17	-
Cash Provided (Used) by Operating Transactions	240	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 240	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Awasak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Awasak Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Awasak Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves, and in conjunction with third party agreements.

Monetary donations received from external sources are recorded as revenue when received.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the chief executive officer and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs, which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values.

Liabilities

Accounts payable, accrued liabilities and unearned revenue are recorded at carrying values, which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $7,241,000 on May 6, 2000.

Awasak Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Measurement Uncertainty (in thousands)
Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $815 in these financial statements are subject to measurement uncertainty as a result of liability estimates. The actual amount could vary significantly from that estimated.

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $101 (1999-2000 $187 increase), increase accounts receivable by $101 (1999-2000 $187 increase), decrease the grant from the Department of Children's Services by $74 (1999-2000 $12 increase), and decrease expenses by $62 (1999-2000 $12 increase).

Effective April 1, 2000, the reporting practices regarding revenues and expenses resulting from a third party agreement with the Wood Buffalo Student Health Partnership, changed. These amounts were excluded from the financial statements of the Authority in 1999/2000, but now reported in the financial statements of the Authority. The change has been applied retroactively.

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

		(in thousands)
Initial (original) budget	$	7,241
Additional funding provided for the current year		229
Reduction in funding to reduce the prior year surplus		(671)
Grant for the Year	$	6,799

Awasak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended March 31, 2001

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities.

	(in thousands) **2001**	2000 (restated)
Ministry of Children's Services	$ 576	$ 1,322

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands) **2001**	2000 (restated)
Ministry of Children's Services	$ 38	$ 30
Accrued Other Manpower Expenses	113	-
Trade Payable	637	622
Other	27	-
	$ 815	$ 652

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments:

	(in thousands) **2001**	2000
Long-term lease (a)	$ 28	$ 16

(a) The Authority leases certain vehicles under operating leases that expire on various dates to March 31, 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 22
2003	$ 22
2004	$ 16
2005	$ 15

Awasak Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 8 Payment Under Agreement

The Authority has entered into agreements to deliver programs and services that are fully funded on behalf of the Wood Buffalo Student Health Partnership through the Fort McMurray School Board Division 2833. These agreements restrict the use of funds to the purpose set out in the agreement. Funds received are recognized as revenue as expenses are incurred. Excess funds in the amount of $1 (2000 - $0) are included in accounts payable. The full amount of expenses allowed for under the agreement are as follows:

	(in thousands) **2001**	 2000
Student Health Initiative	$ 264	$ 180

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Awasak Child and Family Services Authority

SCHEDULE 1

EXPENSES DETAILED BY OBJECT

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
Manpower[a]	$ 1,614	$ 2,344	$ 1,673
Supplies and services	5,306	5,635	4,820
Grants	321	298	308
Inter-Authority Services	-	323	41
Other	-	(74)	-
	$ 7,241	$ 8,526	$ 6,842

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $17 for 2001 (2000 - $12) in achievement bonuses for management and non-union staff.

Awasak Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chairman of the Board	$ 6	$ -	$ 6	$ 5
Co-Chairman of the Board	$ 2	$ -	$ 2	$ 2
Board Members (6 members)	$ 21	$ -	$ 21	$ 19
Chief Executive Officer	$ 94	$ 23	$ 117	$ 114

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships, and tuition fees.

Awasak Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 6,799	$ 7,141	$ -	$ -
Recoveries - Resident on Reserves	470	330	-	-
Recoveries - Inter-Authority Services	323	41	-	-
Student Health Initiatives	-	-	247	-
Community Donations - Janvier	-	-	1	-
	$ 7,592	$ 7,512	$ 248	$ -
EXPENSES				
Inter-Authority Services	$ 71	$ 42	$ -	$ -
	$ 71	$ 42	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 453	$ 1,303	$ -	$ -
Sakaw-Askiy Child and Family Services Authority	55	-	-	-
Sakaigun Asky Child and Family Services Authority	37	6	-	-
Ma'mowe Capital Region Child and Family Services Authority	(9)	3	-	-
Métis Settlements Child and Family Services Authority	2	-	-	-
Neegan Awas'sak Child and Family Services Authority	-	(20)	-	-
	$ 538	$ 1,292	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements, but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 158	$ 180
Legal Services	28	40
	$ 186	$ 220

Awasak Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 5,409	$ 118	$ 28	$ (55)	$ -	$ 5,500	$ 4,788
Day Care	330	2	-	(1)	-	331	376
Handicapped Children's Services	960	8	-	(4)	-	964	681
Early Intervention Services	522	-	-	-	-	522	519
Prevention of Family Violence	394	-	-	-	-	394	334
Board Governance and Core Administration	337	7	-	(3)	-	341	320
Program Support	325	23	-	(11)	-	337	-
Mediation and Court Services	-	-	-	-	-	-	3
Inter-Authority Services	323	-	-	-	-	323	41
	$ 8,600	$ 158	$ 28	$ (74)	$ -	$ 8,712	$ 7,062

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

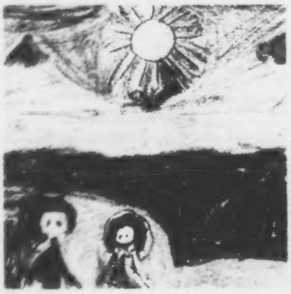

illustration by Mason (age 7)

Silver Birch

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Silver Birch Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Silver Birch Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

Surplus amounts recoverable at March 31, 2001 from contracted agencies have not been recorded. If the Authority had recognized the surplus amounts recoverable in accordance with Canadian generally accepted accounting principles, expenses for the year would have been decreased and the accounts receivable and the net assets at March 31, 2001 would have been increased by an amount that has not been quantified.

In my opinion, except for the effect of the matters referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 18, 2001

Silver Birch Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
	(in thousands)		
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 3,891	$ 2,834	$ 3,617
Recoveries - Resident on Reserve	-	127	132
Recoveries - Inter-Authority Services	-	5	3
	3,891	2,966	3,752
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	381	370
Program Support	-	306	-
Child Welfare	2,344	1,001	1,505
Handicapped Children's Services	448	379	315
Day Care	505	205	165
Inter-Authority Services	-	5	3
Other	234		
Early Intervention	-	885	502
Prevention of Family Violence	-	349	282
	3,891	3,511	3,142
NET OPERATING RESULTS	$ -	$ (545)	$ 610

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands)	
	2001	2000
		(restated - Note 3)
ASSETS		
Cash	$ 779	$ -
Accounts Receivable (Note 5)	113	903
Advances	-	1
	$ 892	$ 904
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 827	$ 294
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	610	-
Net Operating Results	(545)	610
Net Assets (Liabilities) at End of Year	65	610
	$ 892	$ 904

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (545)	$ 610
Decrease (Increase) in Accounts Receivable	790	(903)
Decrease (Increase) in Advances	1	(1)
Increase (Decrease) in Accounts Payable[a]	533	294
Cash Provided (Used) by Operating Transactions	1,324	(601)
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	$ 779	$ -

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Silver Birch Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority provides community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Silver Birch Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Silver Birch Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision for accrued vacation pay for the employee, the CEO, and other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $3,891,000 on February 26, 2000.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accrued liabilities of $827 recorded in these financial statements are subject to measurement uncertainty. The accrued liabilities consist of worker's compensation, Child Welfare expenses, Early Intervention expenses, Handicapped Children Services expenses, Prevention of Family Violence expenses and Day Care expenses. These accruals were estimated by management based on prior history of these items and other information available to them. The actual amount could vary significantly from the estimate.

Silver Birch Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $35 (1999-2000 $35 increase) and increase accounts receivable by $35 (1999-2000 $35 increase), increase the grant from the Department of Children's Services by $6 (1999-2000 $1 increase), and increase expenses by $6 (1999-2000 $1 increase).

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 3,891
Additional funding provided for the current year	154
Reduction in funding for the current year	(601)
Reduction in funding to reduce the prior year surplus	(610)
Grant for the Year	$ 2,834

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities.

	(in thousands)	
	2001	2000
Department of Children's Services	$ 97	$ 890
CFSA's	16	13
	$ 113	$ 903

Silver Birch Child and Family Services Authority

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 496	$ -
Accrued Other Manpower Expenses	35	60
Trade Payable	205	218
CFSA's	91	16
	$ 827	$ 294

Note 7 Commitments

As at March 31, 2001, the Authority has the following commitments (comparable figures not available for 2000):

	(in thousands)	
	2001	2000
Service contracts	$ 368	$ 33
Long-term leases (a)	112	113
	$ 480	$ 146

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(in thousands)
2002	$ 43
2003	$ 35
2004	$ 28
2005	$ 6

Note 8 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 9 Approval of Financial Statements

The financial statements have been approved by the Authority.

Silver Birch Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
Manpower[a]	$ 984	$ 976	$ 821
Supplies and services	2,677	2,388	2,156
Grants	230	142	162
Inter-Authority Services	-	5	3
	$ 3,891	$ 3,511	$ 3,142

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $6,000 (2000 - $1,000) in achievement bonuses for management and non-union staff.

Silver Birch Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the year ended March 31, 2001

(in thousands)

	2001						2000	
	Salary[1]		Benefits and Allowances[2]		Total		Total	
Co-Chair of the Authority	$	10	$	-	$	10	$	6
Co-Chair of the Authority	$	15	$	-	$	15	$	11
Board Members (6 members)	$	53	$	-	$	53	$	33
Chief Executive Officer (3)	$	87	$	7	$	94	$	82

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships, and tuition fees.

(3) The position (CEO) was occupied by three individuals during the year. The previous incumbent retired on August 31, 2000. A temporary contract CEO was appointed for the term between September 2000 through to January 2001.

Silver Birch Child and Family Services Authority

RELATED PARTY TRANSACTIONS **SCHEDULE 3**

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 2,834	$ 3,617	$ -	$ -
Recoveries - Residents on Reserves	127	132	-	-
Recoveries - Inter-Authority Services	5	3	-	-
	$ 2,966	$ 3,752	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 141	$ 221	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ (399)	$ 890	-	-
Child and Family Services Authority Region 4	-	1	-	-
Child and Family Services Authority Region 5	2	-	-	-
Child and Family Services Authority Region 8	1	-	-	-
Child and Family Services Authority Region 10	(10)	1	-	-
Child and Family Services Authority Region 13	(8)	(1)	-	-
Child and Family Services Authority Region 14	(3)	(2)	-	-
Child and Family Services Authority Region 15	(57)	(2)	-	-
	$ (474)	$ 887	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements, but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 221	$ 148
Legal Services	5	10
	$ 226	$ 158

Silver Birch Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

(in thousands)

	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments[4]			
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 1,001	$ 97	$ 5	$ -	$ -	$ 1,103	$ 1,630
Day Care	205	11	-	-	-	216	165
Handicapped Children's Services	379	26	-	-	-	405	328
Early Intervention Services	885	15	-	-	-	900	502
Prevention of Family Violence	349	-	-	-	-	349	282
Board Governance and Core Administration	381	20	-	-	-	401	390
Program Support	306	52	-	-	-	358	-
Inter-Authority Services	5	-	-	-	-	5	3
	$ 3,511	$ 221	$ 5	$ -	$ -	$ 3,737	$ 3,300

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations.
The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.

- Doubtful Accounts Provision - estimated expenses incurred by each program.

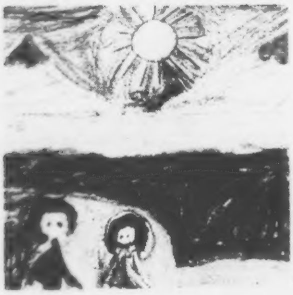

Illustration by Mason (age 7)

Metis Settlements

CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2001

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AUDITOR'S REPORT

AUDITOR
GENERAL
Alberta

To the Members of the Metis Settlements Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Metis Settlements Child and Family Services Authority as at March 31, 2001 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Ministry management has not quantified and not recognized the cost of information technology, communications, financial and human resource support services borne by the government departments that paid those costs on behalf of the Authority. This exception from Canadian generally accepted accounting principles results in the Authority's expenses being understated.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 23, 2001

Metis Settlements Child and Family Services Authority

STATEMENT OF OPERATIONS

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual (restated - Note 3)
REVENUES			
Grant from the Department of Children's Services (Note 4)	$ 3,246	$ 3,323	$ 3,068
Transfers from Government of Canada	200	211	151
	3,446	3,534	3,219
EXPENSES (Schedules 1 and 4)			
Board Governance and Core Administration	360	377	345
Program Support	-	199	-
Child Welfare	2,335	2,225	1,462
Handicapped Children's Services	14	55	62
Day Care	503	33	36
Other	234		
Early Intervention	-	850	951
Prevention of Family Violence	-	80	44
Valuation Adjustments			
Other Manpower (Note 2)	-	23	-
	3,446	3,842	2,900
NET OPERATING RESULTS	$ -	$ (308)	$ 319

The accompanying notes and schedules are part of these financial statements.

Metis Settlements Child and Family Services Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2001

	(in thousands) 2001	2000 (restated - Note 3)
ASSETS		
Cash	$ 322	$ 201
Accounts Receivable (Note 5)	87	538
Advances	2	1
	$ 411	$ 740
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	$ 400	$ 421
NET ASSETS (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	319	-
Net Operating Results	(308)	319
Net Assets (Liabilities) at End of Year	11	319
	$ 411	$ 740

The accompanying notes and schedules are part of these financial statements.

Metis Settlements Child and Family Services Authority

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended March 31, 2001

	(in thousands) **2001**	2000 (restated - Note 3)
OPERATING TRANSACTIONS		
Net Operating Results	$ (308)	$ 319
Non-Cash Item		
Valuation Adjustments	23	-
	(285)	319
Decrease (Increase) in Accounts Receivable	451	(538)
Decrease (Increase) in Advances	(1)	(1)
Increase (Decrease) in Accounts Payable[a]	(44)	421
Cash Provided (Used) by Operating Transactions	121	201
CASH, BEGINNING OF YEAR	201	-
CASH, END OF YEAR	$ 322	$ 201

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Metis Settlements Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 1 Authority and Purpose

The Metis Settlements Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

(a) Reporting Entity

The reporting entity is the Metis Settlements Child and Family Services Authority which is part of the Ministry of Children's Services.

(b) Basis of Financial Reporting

Revenues

Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves, and in conjunction with third party agreements.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Metis Settlements Child and Family Services Authority

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also present the change in management's estimate of future payments arising from the provision of other manpower expenses (accrued vacation pay) relating to the employees assigned to the Authority by the Department of Children's Services,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Certain other expenses related to information technology, communications, financial and human resources support services were provided to the Authority by the Ministry of Children's Services at no cost to the Authority.

Assets

Cash, accounts receivable, and advances are recorded at carrying values which approximate fair values.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values which approximate fair values.

Budget

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2000-01 Government and Lottery Fund Estimates tabled in the Legislative Assembly on February 24, 2000. The Authority approved the budget of $3,446,000 on July 7, 2000.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accounts payable and accrued liabilities recorded as $400 for 2000/2001 and $421 for 1999/2000 in these financial statements are subject to measurement uncertainty. The expenditures accrued at year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Metis Settlements Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2001

Note 3 Accounting Policy and Reporting Practice Changes (in thousands)

Effective April 1, 2000, the accounting policy regarding other manpower expenses relating to accrued vacation pay, and bonus liabilities changed. These amounts were recorded in the financial statements of the Department of Children's Services in 1999/2000, but are now included in the Authority's financial statements. The reason for this change in accounting policy is to show the full costs of the services that the Authority provides.

This change in accounting policy has been applied retroactively. The effect of this change is to increase accrued liabilities by $86 (1999-2000 $66 increase), increase accounts receivable by $86 (1999-2000 $66 increase), increase the grant from the Department of Children's Services by $30 (1999-2000 $3 increase), and increase expenses by $30 (1999-2000 $3 increase).

Effective April 1, 2000, the reporting practices regarding revenues and expenses resulting from a third party agreement with Justice Canada changed. These amounts were excluded from the financial statements of the Authority in 1999/2000, but are now reported in the financial statements of the Authority. The change has been applied retroactively.

Effective April 1, 2000, the reporting practices regarding inter-authority services and services for children resident on reserves, were changed to report separately as revenue, the reimbursement for these services, from other authorities and from the Department of Children's Services. In 1999/2000, these reimbursements were netted against the expenditures. The change has been applied retroactively.

Note 4 Grant from the Department of Children's Services

The grant was determined as follows:

	(in thousands)
Initial (original) budget	$ 3,446
Additional funding provided for the current year	224
Reduction in funding for the current year	(28)
Reduction in funding to reduce the prior year surplus	(319)
Grant for the Year	$ 3,323

Note 5 Accounts Receivable

The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(in thousands) 2001	2000
Ministry of Children's Services	$ 87	$ 538

Metis Settlements Child and Family Services Authority

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended March 31, 2001

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other CFSA's and the remaining transactions are with external parties.

	(in thousands)	
	2001	2000
Ministry of Children's Services	$ 34	$ 6
Accrued Other Manpower Expenses	86	66
Trade Payable	256	349
Justice	24	-
	$ 400	$ 421

Note 7 Payment under Agreement (in thousands)

In partnership with the Metis General Council, the Federal Justice Department, and the Provincial Justice Department, the Authority has entered into an agreement to deliver restorative and preventative Justice programs on the eight Metis Settlements in Alberta. All costs incurred under this agreement are covered by the Federal Justice Department through the Federal Aboriginal Justice Directorate and any surplus is returned to that Department.

The revenues and expenses of $211 (2000 $151) and the resulting account payable of $24 (2000 $ -), are included in the financial statements.

Note 8 Commitments

As at March 31, 2001, the Authority has the following commitments (comparable figures not available for 2000):

	(in thousands)
	2001
Long-term leases	$ 69

The above commitments relate to vehicle leases. These leases will expire at various intervals over the next three years; however; it is the Authority's intention to maintain fleet inventory at present levels. Therefore it is not expected that cost will vary significantly above present levels.

Note 9 Comparative Figures

Certain 2000 figures have been reclassified to conform to the 2001 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Metis Settlements Child and Family Services Authority

EXPENSES DETAILED BY OBJECT

SCHEDULE 1

For the year ended March 31, 2001

(in thousands)

	2001		2000
	Budget	Actual	Actual
			(restated - Note 3)
Manpower(a)	$ 1,239	$ 1,168	$ 808
Supplies and services	2,138	2,618	2,063
Grants	69	33	29
Other	-	23	-
	$ 3,446	$ 3,842	$ 2,900

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $7,000 (2000 - $3,000) in achievement bonuses for management and non-union staff.

Metis Settlements Child and Family Services Authority

DISCLOSURE OF SALARY AND BENEFITS

SCHEDULE 2

For the Year ended March 31, 2001

(in thousands)

	2001			2000
	Salary (1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 21	$ -	$ 21	$ 19
Board Members (6 members)	$ 86	$ -	$ 86	$ 65
Chief Executive Officer	$ 95	$ 15	$ 110	$ 90

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chairpersons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships, and tuition fees.

Metis Settlements Child and Family Services Authority

RELATED PARTY TRANSACTIONS

SCHEDULE 3

For the year ended March 31, 2001

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2001	2000	**2001**	2000
REVENUES				
Grant from the Department of Children's Services	$ 3,323	$ 3,068	$ -	$ -
	$ 3,323	$ 3,068	$ -	$ -
EXPENSES				
Inter-Authority Services	$ 50	$ 44	$ -	$ -
	$ 50	$ 44	$ -	$ -
RECEIVABLE FROM/(PAYABLE TO)				
Department of Children's Services	$ 87	$ 538	-	-
Sakaw-Askiy Child and Family Services Authority	(5)	-	-	-
Sakaigun Asky Child and Family Services Authority	(13)	(6)	-	-
Region 13 Child and Family Services Authority	(1)	-	-	-
Awasak Child and Family Services Authority	(15)	-	-	-
	$ 53	$ 532	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements, but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
	2001	2000
EXPENSES (NOTIONAL)		
Accommodation	$ 58	$ 61
Legal Services	12	9
	$ 70	$ 70

Metis Settlements Child and Family Services Authority

ALLOCATED COSTS

SCHEDULE 4

For the year ended March 31, 2001

	(in thousands)						
	2001						2000
	Expenses - Incurred by Others			Valuation Adjustments(4)			
Program	Expenses(1)	Accommodation Costs(2)	Legal Services(3)	Other Manpower	Doubtful Accounts	Total Expenses	Total Expenses
Child Welfare	$ 2,225	$ 46	$ 12	$ 18	$ -	$ 2,301	$ 1,525
Day Care	33	-	-	-	-	33	40
Handicapped Children's Services	55	-	-	-	-	55	62
Early Intervention Services	850	2	-	1	-	853	951
Prevention of Family Violence	80	1	-	1	-	82	44
Inter-Authority Services	-	-	-	-	-	-	1
Board Governance and Core Administration	377	4	-	1	-	382	348
Program Support	199	5	-	2	-	206	-
	$ 3,819	$ 58	$ 12	$ 23	$ -	$ 3,912	$ 2,971

(1) Expenses as per the Statement of Operations, excluding valuation adjustments

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Other Manpower (Accrued Vacation Pay) and Doubtful Accounts provisions were allocated as follows:

- Other Manpower, which includes employee benefits - accrued vacation pay due to all employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program